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Deadline Reached on Liberating French Pilots

Paris Had Promised Tough 'Consequences' If Serbs Failed to Act

By Roger Cohen
New York Times Service

PARIS — A deadline set by the French government for information from the Serbs on two pilots shot down over Bosnia in August was slipping by Sunday with no immediate indication of the stem action France had threatened if the airmen were not released or their fate clarified.

Hervé de Charette, the French foreign minister, said on Friday that the pilots, whose *Mirage 2000* was shot down on Aug. 30, must be released by Sunday or the Serbs would face "multiple consequences."

President Jacques Chirac earlier called the Serbian president, Slobodan Milošević, to deliver what officials described as "an ultimatum."

An outcry has been slowly mounting in France over the pilots, Captain Frédéric Chiffot and Lieutenant José Souvignier. For several weeks, after at least two aborted rescue attempts by the North Atlantic Treaty Organization, the French government was extremely restrained in its public statements, calling for the pilots' return but never threatening any retaliation against Serbia or the Bosnian Serbs.

In the last week, however, there has been a sharp change in policy.

Complaints from the wives of the pilots that the only information they have received has come from newspaper reports and a petition calling for an immediate release of the pilots have focused the government's attention on the issue. Mr. Chirac said Saturday that he would meet the wives this week.

The Bosnian peace agreement initiated in Dayton, Ohio, last month is to be formally signed in Paris on Sunday by the presidents of Croatia, Bosnia and Serbia. Government officials have said that there is no plan to postpone the signing if the pilots are not released, but the issue is clearly a delicate one for the French president.

Despite the increasingly threatening language from French officials, there has been no concrete indication of what France

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American Marines preparing to move out Sunday as part of NATO's force after their arrival at Sarajevo's airport.

Uneasy Silence Sets Over Nigeria

By Stephen Buckley
Washington Post Service

BERA, Nigeria — One month ago, Ken Saro-Wiwa, wearing a white native robe and slippers, calmly shuffled into the windowless gallows site at Rivers State Prison. A black hood covered his head. Handcuffs and leg chains shackled him.

One hangman slipped a noose around his neck and a second pulled a lever, a witness said, sending the political activist plunging into a 14-foot pit. Silent prison officials and government authorities watched as he thrashed for 20 minutes, unusually long for a hanging.

At 12:02 P.M., he was dead.

The executions of Mr. Saro-Wiwa, 54, and eight other members of Nigeria's Ogoni tribe hanged that morning brought a fresh wave of international anger upon black Africa's most populous country, which faces new threats of severe economic sanctions designed to force its military regime from power.

Mr. Saro-Wiwa, a prominent poet and playwright, led a five-year battle for the secession of the area known as Ogoniland and for compensation from the Royal Dutch Shell Corp. for environmental damage in the region of 500,000 people.

The hangings followed a nine-month trial in which 15 Ogonis were accused of involvement in the slayings of four Ogoni

leaders in May 1994. The men, three of them traditional chiefs, were hacked to death and their bodies burned.

Mr. Saro-Wiwa was found guilty of murder for having ordered the killings, a charge he denied but that some trial witnesses testified was true; he was not accused of having slain the men himself.

Many human-rights groups assailed the proceedings, accusing the government of denying the defendants due process.

The groups contend that the military regime, which depends on oil for 80 percent of its revenue, wanted Mr. Saro-Wiwa and the others silenced, so they could not

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The Market Tip of the Week: Stay Out of It

By Carl Gewirtz
International Herald Tribune

PARIS — Stay away. That is what analysts are advising clients in a week charged with events that could dramatically move prices in the foreign exchange and international capital markets.

"It's better to stay out of the markets than try to second-guess how events will unfold," said Mark Cliffe at HSBC Markets in London. But he warned that "the risks are tilted against the dollar as odds are increasing" that Washington will fail to meet its Friday deadline for an agreement on cutting the budget deficit.

The calendar of events starts Thursday, when Bundesbank policymakers hold their final meeting of the year. This is the meeting where monetary growth targets for 1996 will be announced, so it is doubtful that the central bank will use the event to lower interest rates.

But Andres Drobny at CS First Boston in London said the German central bank

could signal its intent to lower rates by announcing a 1996 band for monetary growth that is wider than the 4 percent to 6 percent range for 1995.

A decline in German rates, which would probably cause the Deutsche mark to weaken, is considered to be a foregone conclusion, because all the incoming data point to a substantial slowdown in growth. But if the central bank decides to hold rates steady, awaiting more clear data that its previous easing in August has been fully absorbed, the mark, which has already softened in anticipation of the cut, could rebound.

That could happen anyway on Friday if the White House and Congressional Republicans fail to resolve their differences over reducing the budget deficit and are unable to renew the temporary agreement that has enabled the government to function normally. A breakdown would revive fears that the government would be forced into technical default through an inability to service its debt.

See MARKETS, Page 6

In Montana, the Fast Lane Gets Faster

New York Times Service

HELENA, Montana — On the first day in more than 20 years that Montana has not had a daytime numerical speed limit, Patrolman Mitch Tuttle made his first traffic stop — a car going 92 miles an hour on Interstate 15.

The Montana Highway Patrol officer raced his blue-green cruiser up to 110 miles an hour and pulled the car over. When the driver lowered his window, Patrolman Tuttle politely told him that he was near the speed that could earn him a ticket — one that just might be unreasonable.

The driver said thanks, the officer sniffted, handed back his driver's license,

and said, "O.K., have a nice day."

When Congress passed highway legislation earlier this year that allowed states to set their own speed limits, Montana's old speed law went back into effect. Before 1973, the only Montana limit on drivers' speed was "reasonable and proper."

What is reasonable and proper is now up to the discretion of each patrolman, a judgment based on the condition of the vehicle, traffic, weather and road conditions. It is also based on what speed that judges, prosecutors and juries will deem as too fast.

"On a nice clear Sunday," said Patrolman Tuttle, a nine-year veteran of the highway patrol, "at 10 A.M., a newer car, with an experienced driver, I would look at it at 95 and above." The talk among other officers, he said, is that anyone driving 85 or over could get pulled over.

Patrolman Tuttle passed members of a highway crew taking down the 65-mile-an-hour signs. Their breath, hanging in the frosty air, they positioned a new sign that read: "Night Speed Limit 65."

State officials have repeatedly stressed that driving in Montana is not a pedal-to-the-metal situation. Trucks have a speed limit of 65 during the day and 55 at night. On secondary roads, cars are limited to 55 miles an hour at night.

Before Friday, speeders got a \$5 ticket and no points on their license for going over 65. The new tickets have teeth. They start at

\$70 and put two points on a license.

Highway patrol officers are worried that the new limit will send the death rate skyrocketing. Last year there were 208 traffic deaths in Montana, and officials said that could increase by at least 50 percent if the pre-1973 fatality figures are an indication.

Patrolman Tuttle said: "We're going to have some phenomenal wrecks. We're used to seeing cars that roll one, two and three times. We're going to see cars that roll eight, nine and 10 times."

Policemen say they expect the biggest increase in accidents to take place on two-lane highways. They predict that between people backing out of driveways and wildlife and livestock on the highway, there will be more accidents.

"You hit a deer going 60, it will roll over the car," Patrolman Tuttle said. "If you're going 100, it's going to chop the deer's legs off and the deer's going to come through the window and he's going to kiss you."

"I've always watched out for the other guy," said Mary Gillig, a waitress at Uncle Ron's High Country Cafe, a truck stop on the edge of Helena. "I guess I'll have to watch out a little more."

But many welcome the change.

"Everybody is glad," said Ron Jones,

who is the Uncle Ron of the High Country Cafe hereabouts. "Nobody drove the speed limit anyway."

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Before Friday, speeders got a \$5 ticket and no points on their license for going over 65. The new tickets have teeth. They start at

Juppé Agrees to Talk To Strikers but Holds Firm on Health Plan

Unions Vow to Continue Walkout, Saying Assurances Aren't Enough

By Barry James
International Herald Tribune

PARIS — In a significant gesture of conciliation, Prime Minister Alain Juppé said Sunday that he would meet Monday with French strikers in an attempt to resolve the country's worst labor crisis in more than a decade, but he reaffirmed his determination to pursue welfare reforms.

In another major concession, he said some workers of the state railroad company SNCF and the Paris Métro would continue to be able to retire at age 50.

But the two main unions leading the rail and transport walkout — the Communist-backed General Labor Confederation and the rival Workers Force — although welcoming the prime minister's concessions, said that strikes would go on for the moment and that mass demonstrations set for Tuesday would go ahead.

The CGT union leader, Louis Viannet, said Mr. Juppé had "at last taken account of the determined struggle of the rail and Paris urban transport workers" but regretted that he had made no concession on the social security reforms.

Mr. Juppé spoke during his second televised appearance in a week, as the country went into an 18th day of public service strikes, including a total railroad shutdown.

"I have listened, I have understood and I am very attentive," Mr. Juppé said, adding that it was vital to emerge from the crisis because of its damaging effect on French business and the economy.

"We are in a grave crisis," he said. "We must get out of it."

He said that what a meeting between the government and strikers was called was a matter of semantics but that he was not afraid of using the term "negotiate." Labor leaders had assailed the government's refusal to accept the term in discussing their demands for a withdrawal of proposed higher taxes and changes in the social security system.

Asked if he would attend a "social summit" meeting with union leaders, Mr. Juppé said, "I do not exclude any solution."

Talks Saturday between the striking rail workers and a government-appointed mediator, Jean Matéoli, appeared to have made little progress.

The strikes have been spearheaded by the rail workers, who are concerned that they will lose their special retirement pension system under the proposed reforms.

Mr. Matéoli said Saturday that Mr. Juppé had extended his negotiating mandate to cover the pension plan, but the workers nonetheless called for the strike to continue. They demanded that a five-year restructuring plan aimed at cutting SNCF's 175 billion-franc (\$35 billion) deficit be renegotiated from scratch and put on hold for several months. Some of the workers said they would not meet with Mr. Matéoli on Monday unless he gave "genuine answers" to their pension and other demands.

During the televised interview Sunday, Mr. Juppé said he had never proposed ending the special benefits, including the right for some to retire at age 50. Nor, he said, had he ever proposed aligning rail workers' pensions with those of the general population. He did say, however, that it was necessary to start a dialogue on the problem to avoid bankruptcy within a decade.

Mr. Juppé made it clear he had no intention of making essential changes in his proposed welfare reform, saying that experts of all political persuasions had called it "global and coherent."

"It is urgent," he said. "If we do not act soon, we risk a cessation of health insurance." Mr. Juppé said he would use a guillotine procedure under the constitution to get the social security changes through Parliament, bypassing an attempt by opposition Socialists to delay the legislation by introducing thousands of amendments.

He said his plan would not mean an end to reimbursements for health costs or any reduction in the quality of health care.

He also said he was giving Parliament much broader powers to control the health system, under which reimbursement has been administered largely by one of the union confederations.

The government had fixed the goals for reform, he said. Now it was up to the experts and the social partners, meaning the unions and others, to work out the means for putting those goals into effect.

The changes were vital to save the social security system, said Mr. Juppé. "If it were in good health," he said, "we would not be doing anything."

AGENDA



STEP TOWARD SELF-RULE — Palestinians entering Israeli military headquarters in Tulkarm, West Bank after the army withdrew Sunday.

U.S. Vows to Arm Bosnian Military

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UN Success in Cambodia?

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Dole Muscles His Way in Iowa

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Looking Back at Mao and Stalin

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WASHINGTON (Reuters) — The United States has concluded that achieving military balance in Bosnia will require arming and training Muslim forces, Vice President Al Gore said Sunday.

In a step toward placating Republican critics of the planned deployment of 20,000 U.S. troops in Bosnia, Mr. Gore said on an NBC News program that NATO's plans to seek parity by collecting arms would not do the job alone.

"There'll have to be some equipping and arming of the Bosnian Federation, and we're going to absolutely ensure that that does take place," he said.

Ignoring U.S., Southeast Asia To Sign Ban on Nuclear Arms

By Michael Richardson
International Herald Tribune

BANGKOK — Leaders of 10 Southeast Asian countries will sign a treaty this week banning nuclear weapons from the region, despite objections from the United States and China, officials said Sunday.

They said, however, that foreign ministers of ASEAN, the Association of South East Asian Nations, who will meet in Bangkok Monday to prepare for a group summit Thursday and Friday, would discuss whether or not to modify the draft to take account of Chinese and American concerns.

Some officials said the stand taken by China and the United States raised doubts about the sincerity of their commitment to eventual nuclear disarmament.

Later Friday, the United States joined China in publicly expressing concerns about the proposed pact. Both nuclear powers said that they could not support it unless significant changes were made.

Southeast Asian officials were surprised by the U.S. decision because Washington had earlier indicated it was ready to support a nuclear weapon-free zone in Southeast Asia, and had announced in September that it would sign a protocol endorsing a similar treaty covering the South Pacific.

The officials said it appeared that the U.S. military concerns were a more important factor in Southeast Asia than in the South Pacific and that they outweighed diplomatic interests in concluding regional opposition to nuclear weapons.

One of the main U.S. concerns is that the regular movement of its nuclear-powered or nuclear-armed naval vessels and aircraft through Southeast Asia could be restricted by the new treaty.

"Nuclear-powered ships and American military vessels, naval vessels, do transit through those waters," Nicholas Burns, the State Department spokesman, said Friday.

He was referring to the South China Sea and international straits in Southeast Asia that provide vital access for the U.S. Navy from the Pacific to the Indian oceans and the troubled Gulf region, a major source of U.S. oil imports.

Mr. Burns said the United States was

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The Old Style Prevails/ Democracy Is in a Free Fall

The UN's Success in Cambodia? Look Again

By Keith B. Richburg
Washington Post Service

PHOM PENH — A newspaper editor is gunned down in broad daylight. A grenade is tossed into a Buddhist temple, wounding 50 supporters of the political opposition. Troops and tanks appear in the streets as a show of force against a prominent critic of the government. And the former Communist co-prime minister orders his newly formed private army to destroy his enemies, whom he likens to "worms."

Cambodia has been widely touted as a success story — a model of global peace-making in the post-Cold War world. The United Nations spent close to \$3 billion trying to break the cycle of tragedy. But today, two and a half years after UN-sponsored elections were supposed to have ushered in a new era of democracy and economic recovery, Cambodia appears to be sliding back to its familiar pattern of political violence, assassination and repression.

During the presence of the UN mission here, the country experienced a brief flowering of open democracy: political parties formed, dozens of newspapers appeared on the streets and new groups organized to monitor human rights.

"The expectation was that Cambodia under the aegis of the United Nations had been cured and was on the road to liberal democracy," one foreign resident said. "But when you step back and look at it, the idea that little Cambodia with all its tragic problems would suddenly become the most democratic country in Asia was totally unrealistic."

The current rulers — led by the former Communists installed during the decade-long Vietnamese occupation — are trying to establish a new dictatorship, according to many Cambodians, human-rights groups and some Western diplomats.

Although the country is largely peaceful, with the Khmer Rouge guerrillas reduced to making small-scale attacks, the government appears bent on silencing all opposition and talks of staying in power until 2010. Critics accuse the international community of unseemly silence, protecting the myth of the Cambodian "success story."

"Cambodian democracy is in a free fall now," said Lao Mong Hay, director of the Khmer Institute for Democracy. "The countries that signed the international agreements are our safety net. Whether democracy will fall through that safety net to the floor and be killed remains to be seen."

"There is a slide back toward a more and more authoritarian regime, and the old style

prevails again," said Sam Rainsy, a former finance minister who was forced out of the government and has launched a party called Khmer Nation.

"The UN has had failure in many places, but only in Cambodia can they claim a success," Mr. Rainsy said. "And they don't want the success to be tarnished by what has happened afterward."

Cambodia was not supposed to turn out this way. The 1991 peace agreement committed all factions to establish a pluralistic, multiparty democracy that would guarantee human rights.

Elections duly took place in 1993, and Cambodia became a constitutional monarchy, with Norodom Sihanouk returning to the throne he lost in 1970. The political party that King Sihanouk created, the royalist Funcinpec led by his son, Norodom Ranariddh, came out

ahead of the former Communists in the voting. As far as the world could tell then, Cambodia was indeed a success.

That is when the problems began. Prince Ranariddh agreed to form a coalition government with the former Communists, re-styled as the Cambodian People's Party, who finished a close second in the balloting. The two parties agreed to share everything — splitting ministries, with "co-ministers." Prince Ranariddh and Hun Sen, the People's Party leader installed by Vietnam, even agreed to each take the title of "co-prime minister."

The former Communists never really relinquished administrative control, not in the ministries, where 80 percent of civil servants are still People's Party loyalists, nor at the district and village level, where the old Communist apparatus remains intact. The Cambodian People's Party's control is perhaps most pronounced in the police and security units, which have been blamed for most of the attacks on opposition politicians and their supporters and on journalists.

When King Sihanouk's popular half-brother, Prince Norodom Sihanouk, was accused last month of plotting to assassinate Mr. Hun Sen, the former Communist leader demonstrated his command of the country's armed units by bringing two tanks and troops into the streets of Phnom Penh.

Price Sihanouk, the Funcinpec secretary-general, is under arrest because of the alleged plot. He claimed he was a victim of political persecution, and the Human Rights Watch organization said the evidence against him was not sufficient to prosecute. But Mr. Hun Sen unveiled a new personal bodyguard unit, consisting of 191 well-armed troops backed by six tanks and an unspecified number of armored personnel carriers. On state television, Mr. Hun Sen ordered this new private army to "take preemptive measures."

"If the defense task involved only providing protection around the house, it would mean you had lost the initiative," Mr. Hun Sen told the assembled troops. "Therefore, you have to strike at those forces from a distance with whatever means."

He called his enemies "worms." In the past, Mr. Hun Sen's admonitions to his supporters to attack enemies resulted in violence.

In September, for example, Mr. Hun Sen warned an opposition politician, Son Samn, not to proceed with a planned party congress because the gathering might be attacked with grenades. On Sept. 30, unidentified motorcyclists tossed grenades at Mr. Son Samn's house, and at a nearby Buddhist temple, where Mr. Son Samn's supporters had gathered to spend the night.

On Oct. 22, the pro-opposition newspaper New Liberty News printed an article critical of one of Mr. Hun Sen's personal rural development projects. The next day, a mob arrived at the newspaper offices, broke down the door, destroyed the paper's offices and badly beat a staff member. Mr. Hun Sen was quoted a few days later as calling the attack "justified" and "fair."

COMING UP
The island republic of Nauru has been so environmentally ravaged that its inhabitants may have to abandon it totally.



These Buddhist monks are praying for peace. Cambodia can use all the help it gets.

TRAVEL UPDATE

Rail unions that began the wave of strikes more than two weeks ago have been joined sporadically by workers from other parts of the public sector, including hospitals, banks, the post office, schools and the electricity and gas utilities.

Health officials say the outbreak is the city's worst flu epidemic. City schools have been ordered closed for the coming week and a quarantine has been declared in hospitals and clinics.

A Cheap Way To Get to JFK

NEW YORK (NYT) — Word of mouth seems to be accomplishing what a splashy advertising campaign did not:

getting air travelers to go to Kennedy International Airport by public transit.

Every day, legions of the budget conscious take the A train to the Howard Beach

Kennedy stop in Queens County, about an hour from midtown Manhattan. Port Authority buses then take them to the terminals, 10 to 15 minutes away.

They only pay the \$1.50 price of a subway token since the bus link is offered free by the Port Authority of New York and New Jersey because the buses serve a long-term parking lot that adjoins the subway station.

The subway service transported 2,273 passengers to the Howard Beach station on an av-

U.S. Fears Attacks In Saudi Arabia Americans Are Cautioned

Reuters

WASHINGTON — The State Department urged Americans in Saudi Arabia over the weekend to be extremely cautious, citing a message from the U.S. Embassy in Riyadh that said it had unconfirmed information that more bombings may be aimed at Westerners.

Saudi authorities issued a composite of a man aged between 30 and 40 who they said was suspected of having had a role in the explosion. No arrests have been announced.

It was the deadliest action against Americans in the Middle East since Shi'ite Muslim bombers killed 241 servicemen in Beirut in October 1983.

Saudi Arabia, the world's largest oil producer and exporter, is a major supplier to the United States. It is Washington's closest and most powerful ally in the Gulf region.

The statement said such attacks "could occur anywhere in the kingdom."

It urged that Americans in the country "be vigilant of their personal security and surroundings at all times and under all circumstances, and should report any suspicious activities to the embassy or nearest U.S. consulate."

A U.S. Embassy spokesman in Riyadh said the warning was issued after new information about the safety of Americans in the kingdom was passed to the embassy.

"It's the policy of the embassy to take all threats seriously," the spokesman said.

After the Americans, the next largest group of Westerners in the British with nearly 29,000 nationals in the kingdom.

A spokesman for the British Embassy in Riyadh said it had issued a similar bulletin reminding its nationals of a warning six days after the bombing to maintain vigilance.

The Nov. 13 bomb, which had 150 to 225 pounds (70 to 100 kilograms) of high explosive, according to the U.S. Defense Department, struck a Saudi National Guard training center in Riyadh run by the

United States. The National Guard numbers 57,000 troops in charge of defending strategic installations, including oil production and export facilities.

They are under the command of Crown Prince Abdullah, heir apparent to King Fahd.

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Germans Launch Probe of Iranian

Agence France-Presse

KARLSRUHE, Germany — German federal prosecutors have launched an investigation of the head of Iranian intelligence, a spokesman said here Sunday, the first time a Western country has directly challenged such a senior Iranian official over terrorism.

Rolf Hamrich, a prosecution spokesman, said the investigation concerned the alleged role of the Iranian security minister, Ali Falahian, in the September 1992 deaths of four Iranian Kurdish opposition militants.

Mr. Falahian is suspected of having masterminded the killing at a Berlin restaurant. One of those killed was an Iranian Kurdish opposition leader, Sadeq Shamsiand.

BREITLING
1884



OLD NAVITIMER

NAVITIMER: ON COURSE AND ON TIME. With time a crucial aspect of air travel, pilots and navigators have long viewed their watch as their basic personal instrument. Even with today's sophisticated navigation satellites and radio beacons, "flight computers" like the NAVITIMER are still used for on-line calculations. A slide rule of this kind is built into NAVITIMER mechanical chronographs. The pilot's sole personal instrument, today's NAVITIMERS are based on a design voted official watch of the Aircraft Owners & Pilots Association in 1952. Relentlessly improved since then, NAVITIMERS are totally efficient and fascinating to operate while their good looks remain as unmistakable as ever.

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INSTRUMENTS FOR PROFESSIONALS

French Transport Remains Blocked

PARIS (AFP) — Public transportation in France remained at a standstill on Sunday as strikes over controversial changes in the social security system continued to cripple the country.

No trains were running in France, and in Paris there were no Métro or suburban rail services and only 3 percent of buses. Eurostar services from Paris to London and Brussels have not operated since Friday, while special bus and boat links that the government put on in Paris were not operating over the weekend.

From Nov. 27 to Dec. 3, more than 338,000 people, including about 200,000 children, have caught the flu in Moscow in the last two weeks, a senior municipal medical official said.

From Nov. 27 to Dec. 3, more than 126,000 people had reported flu symptoms. Nikolai Fi-

EBOLA Patient Left Sick Friend In Liberia Village

Reuters

TABOU, Ivory Coast — A Liberian refugee being treated for the Ebola virus in Ivory Coast has told doctors that he left a friend with similar symptoms in his home village in Liberia, a senior official said Sunday.

Colonel Mambo Dossou, administrator for Tabou region on the border with war-tattered Liberia, said that as a result he had requested permission for a medical team to cross the border and travel to the village.

Ivory Coast's public health director, Aminata Diarra, said in Abidjan that the Liberian refugee was getting better and that no further cases had been reported in Ivory Coast.

Almost 400,000 Liberian refugees live along Ivory Coast's border with Liberia, many of them around Tabou.

WINTER IN PARIS

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THE AMERICAS

Dole Muscles His Way Through Iowa

By Dan Balz
Washington Post Service

DES MOINES, Iowa — Two presidential campaigns dominate the political landscape in Iowa, where the race for the Republican nomination kicks off in just two months. One pits the Senate majority leader, Bob Dole of Kansas, against himself; the other is a fierce battle among his rivals to break out of the pack.

Mr. Dole stands far above the field in Iowa, but the battle beneath him has suddenly intensified on the strength of a television advertising blitz that has vaulted the magazine publisher Malcolm S. Forbes Jr. from obscurity into second place in the polls.

Mr. Forbes' rapid rise sets up a lively and unpredictable four-way contest among Senator Phil Gramm of Texas, former Governor Lamar Alexander of Tennessee and the commentator Patrick J. Bu-

chan for runner-up in the Feb. 12 caucuses, which can produce a boost heading into New Hampshire a week later.

"It's really shaping up to be what it was in the beginning," said Brian Kennedy, the Iowa Republican chairman. "Bob Dole is the clear front-runner, and then there is the race for second."

Over the years, the Iowa caucuses have proved to be a poor predictor of Republican nominees.

But the voters here often have embarrassed front-runners or crippled the campaigns of lesser candidates, which is why every campaign is mindful of the consequences of a disappointing finish.

Mr. Dole stumbled this summer, when Mr. Gramm tied him in an informal or straw poll at a convention of party activists that featured bushels of non-Iowans brought in by various campaigns. Mr. Gramm's showing jolted Mr. Dole's

complacent organization, and the national campaign recruited Darrell Kearney, a veteran caucus activist with close ties to the Iowa governor, Terry E. Branstad, to run the day-to-day operations.

"We made some significant adjustments," Mr. Branstad, a fellow Republican, said. "We put particular emphasis on building our grass roots in some of the counties that fell down for us."

Mr. Kearney says that the Dole campaign is organized in all 99 Iowa counties. Its goal is one volunteer for every 100 registered Republicans in the roughly 825 targeted precincts that account for 70 percent of the Republican vote.

"They're running the classic caucus campaign," Mr. Kennedy said. "Dole realized they were going to have to muscle it out. They're taking it to a level where the others can't compete."

In the Dole calculation, mus-

trum passion. If he evokes little enthusiasm, Mr. Dole is extraordinarily well liked. The Des Moines Register's Iowa Poll published last week showed that 78 percent of likely caucus attendees had a favorable impression of the Kansan, compared with 20 percent who see him negatively.

Mr. Dole's strongest suit remains familiarity, leadership and experience.

"He has the basic values that we consider important," said Duane Acker, the campaign chairman in Cass County in southwest Iowa.

"Dole is the most mature," said Ralph Meyer, who turned out to hear Elizabeth Hanford Dole campaign for her husband at the Northside Cafe in Winter, where Clint Eastwood filmed a scene in "The Bridges of Madison County."

But reservations about Mr. Dole give hope to his rivals.

Bill Lawton, a retired farmer who came out to hear Mr. Gramm at a recent town hall meeting in the rural town of Atlantic, said, "You hear the usual things" about Mr. Dole. "He's too old, and he's not a new Republican. And probably too much of a politician."

Paul Aardsma, the Republi-

cian chairman from Warren

County south of Des Moines,

who said he is neutral, said, "I

sense in large part dissatisfaction with Senator Dole because of his willingness to compromise."

The latest Iowa Poll shows

Mr. Dole with 41 percent of the

vote among a sample of 407

likely Republican caucus atten-

dents.

Mr. Forbes, whose television

advertising message of eco-

nomic optimism is the talk of

political circles here, ran sec-

ond with 12 percent, while Mr.

Gramm fell from 18 percent

just after the straw poll to 9

percent.

Mr. Buchanan had 7 percent,

Mr. Alexander, 6 percent; Alan

L. Keyes, 4 percent; Senator

Richard G. Lugar of Indiana, 3

percent, and Representative

Robert K. Dornan of California

and the businessman Morris

Eaton, 1 percent.

Sixteen percent of respond-

ents said they were undecided.

Mr. Dole's rivals have taken

turns attempting to separate

themselves from the pack, but

none has yet taken hold. They

are not as well known or as well

liked as the front-runner.

In appearances before the

committee in recent days, Mr.

Kennedy and Mr. Lindsey re-

fused to answer questions about

the meeting, asserting that the

White House had ordered them

not to, on the ground that it was

protected by attorney-client

privilege.

The subpoena requires the

White House and Mr. Kennedy

to present the notes and memo

by Tuesday afternoon or else

provide an explanation for why

they will not comply. The com-

mittee is then expected to de-

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Bob Dole waving at a whistle-stop rally in New Hampshire, where his standing could be affected by the Iowa caucuses. Jim Romenesko

A Constitutional Showdown?

Senate Panel Seeks White House Notes

By Stephen Labaton
New York Times Service

WASHINGTON — The White House has forced a constitutional showdown by refusing a Senate demand for information about a 1993 meeting at which Presidents Bill Clinton and his senior lawyers and aides discussed Whitewater.

The Senate Whitewater Committee has voted to issue a subpoena for notes taken during the 1993 meeting and to renew its request for a White House memo written afterward. The White House replied that it would decline any demand for the material about the meeting because it is protected by the attorney-client privilege.

Both administration officials and congressional aides predicted that the high-stakes battle between Republican senators and Mr. Clinton over the limits of congressional investigations and the separation of powers between the two branches of the government was likely to find its way into the federal courts.

They said the fight would almost inevitably spill into the election year, and that the White House refusal to provide the material would make it difficult for the president to maintain that he has offered unrestricted cooperation with

The White House has acknowledged that it has a memo from the meeting.

House was told by the general counsel at the Treasury Department about an investigation into Madison Guaranty, the savings association owned by James B. McDougal, who was the Clinton's partner in White

water. The White House has said that the Nov. 5 meeting was intended to brief David E. Kendall, the Clinton's new personal lawyer, about a variety of Whitewater issues.

Republicans have asked whether the officials who at-

tended were improperly using any confidential information they had gleaned about the investigation.

William H. Kennedy III, who at the time was an associate White House counsel, took extensive notes at the meeting. The White House has also acknowledged that it has a memo from that meeting. The others at the meeting were three White House officials: Bruce Lindsey, Bernard Nussbaum and Neil Eggleston, and three lawyers who have worked on the personal and financial interests of the First Family: Mr. Kendall, James Lyons and Stephen Enstrom.

In appearances before the committee in recent days, Mr. Kennedy and Mr. Lindsey refused to answer questions about the meeting, asserting that the White House had ordered them not to, on the ground that it was protected by attorney-client privilege.

The subpoena requires the White House and Mr. Kennedy to present the notes and memo by Tuesday afternoon or else provide an explanation for why they will not comply. The committee is then expected to decide whether to honor the privilege, although Friday's action made clear that the committee's Republicans will recommend that the full Senate ask a court to enforce the subpoena.

Republicans have asked whether the officials who at-

A Gift for Insurers

NEW YORK — Out of the spotlight of the Medicare debate, the nation's private health plans have obtained a series of technical changes in the overhaul approved by Congress that stand to reap billions of dollars.

One adjustment in the Medicare legislation would raise to 8 percent next year's increase in the amount that private plans are reimbursed by the government for treating the elderly and disabled patients insured by Medicare.

In earlier versions of the legislation, passed separately by the House and Senate, the rate would have been several percentage points lower, making the reimbursements billions of dollars less.

Although President Bill Clinton vetoed last week the budget bill containing the Medicare legislation, the adjustments stand a good chance of surfacing in a compromise plan.

The health care industry says that because of these changes, health maintenance organizations and other private plans would be able to offer greater benefits to enrollees they hope to lure out of the conventional Medicare program.

Critics say the adjustments stand to earn the industry unnecessary profits and will draw disproportionate number of healthier Medicare recipients out of the program, jeopardizing its financial underpinnings.

"I let the conventional wisdom stand that Dole is the prohibitive favorite and that it's a foregone conclusion that he's going to win an overwhelming victory," Mr. Gramm said. "But I don't believe it."

RICHMOND, Virginia — Stalling an effort by conservatives to punish Senator John W. Warner for helping to defeat two

fellow Republicans, Virginia Republicans have yielded to his demand that he be allowed to seek renomination in a state primary, which will be open to voters of both parties.

The party's governing board voted to hold the primary June 11. The party's most conservative wing had wanted a convention to select a nominee, since conservatives dominate party offices and would have been expected to control such an event. But committee members feared that a move to a convention would not withstand a court challenge because the law in Virginia allows the incumbent to select the method of nomination. Virginia does not register voters by party, so any voter can participate in a primary. (NYT)

Clinton Rides Higher

WASHINGTON — President Clinton's approval rating has jumped to 55 percent, his highest rating in seven months, according to a national poll released over the weekend.

The CNN-Time magazine survey of 1,000 voting-age Americans also found that 51 percent think Mr. Clinton is doing a good job of handling foreign policy and 54 percent credit him with providing strong leadership for the country.

Nearly half, 49 percent, said they had more confidence in Mr. Clinton than congressional Republicans in dealing with major national issues. Republicans won the confidence of 35 percent of respondents. The survey, conducted Dec. 6-7, had a sampling error of plus or minus 3 percentage points. (AP)

Quote/Unquote

President Bill Clinton on proposed cuts in Medicaid: "The blunt reality is that as many as 4 million children will simply be denied needed medical care. They will either be turned away from medical facilities, denied preventive care, or be turned out too soon. That is unacceptable in a country that cares about its children, and I will not permit it to happen." (WP)

Away From Politics

By Michael A. Fletcher and Kevin Merida
Washington Post Service

WASHINGTON — The NAACP, struggling under a mountain of debt as it gropes for its place in the modern civil rights movement, has turned to an influential member of Congress to renew the organization to its former prominence: Representative Kweisi Mfume.

The fifth-term Democratic representative and former chairman of the Congressional Black Caucus was unanimously appointed Saturday as president and chief executive officer of the National Association for the Advancement of Colored People, a job that will make him the public face of the oldest and largest U.S. civil rights group.

Mr. Mfume said he would resign from Congress and assume his new post Feb. 15.

Mr. Mfume, 47, who typically won re-election by huge margins, said he was surrendering his safe seat in Congress because the NAACP post will allow him to pursue issues from a broader platform.

"What pushed me into this was my absolute, utter disdain for the ultra-right-wing agenda that is being foisted on our communities without an equal and opposite grassroots reaction,"

Mr. Mfume said in an interview. "It was clear to me that I could do much more outside than I could do inside Congress."

Mr. Mfume promised to move swiftly on several fronts: to expand voter education and registration campaigns, to emphasize the value of education and individual responsibility to the black community, to develop a financial rehabilitation plan for the organization and to work on the economic problems crippling much of black America.

"We must, without equivocation or timidity, reclaim our rightful place as the voice of African Americans and others who believe in the power and premise that all persons are, in fact, created equal," he said.

Mr. Mfume is assuming the post at perhaps the most critical time in the organization's 86-year history. The organization is deep in debt, unsure of how best to fulfill its mission and struggling to recover from problems that emerged during the brief tenure of the Reverend Benjamin F. Chavis as executive director.

When the board chose Mr. Chavis as its leader in April 1993, his task was not much different from the one facing Mr. Mfume: to revitalize the group's image and membership while broadening its mission and fund-raising clout.

But Mr. Chavis lasted less

than 17 months. The board fired him for secretly agreeing to pay \$332,400 in NAACP funds to a former aide to avert a sexual harassment lawsuit.

Mr. Chavis left the organization in a shambles, staggering under its debt, paralyzed by the infighting of its 64-member board and abandoned by major benefactors.

Since his departure, the NAACP has undergone, at best, a modest recovery. Although the debt has shrunk from \$4.8 million to \$3.2 million, its staff was reduced by almost two-thirds, and the group is embroiled in fights with key chapters in Chicago, Baltimore and

Detroit. They disagree on the internal voting rights of youth members and on rules requiring the branches to split money they raise with the national office.

The NAACP also has lost much of its activist edge. Although it claims 76,000 youth members, it is viewed by many as a stodgy organization for the middle class and the middle-aged.

"The NAACP is not the organization it once was," said David Bostis, a senior political analyst for the Joint Center for Political and Economic Studies. "It doesn't play the role in the lives of black Americans that it once played."

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THE PENINSULA
MANILA

ASIA

A Flawed China-Soviet Pact

New Papers Spell Out Stalin-Mao Rifts

By Tim Weiner
New York Times Service

WASHINGTON — Scholars have unearthed official records of the two meetings between Stalin and Mao. Along with Mao's commentaries on the meetings, they suggest that the Chinese-Soviet alliance that the two men made in Moscow 45 winters ago was founded on shaky ground.

The transcripts of the December 1949 and January 1950 sessions, obtained from Soviet archives, had long been sought by historians of the Cold War. The documents, to be published by the Cold War International History Project of the Woodrow Wilson International Center for Scholars in Washington, contain no great revelations, only the give and take

between the leading Communist titans, and tyrants, of the Cold War. Stalin gives more and paternalistically advised Mao to foment his own uprising.

Stalin initially started Mao by seeming to renege on a deal, informally agreed to by diplomats, to do away with provisions of the 1945 Yalta accord governing relations between the Soviet Union and the since-defeated Nationalist government of China.

Stalin and Mao danced around the issue of revising the accord and decided to raise it at their next meeting. In a telegram back to Beijing after the meeting, he called Stalin "really sincere."

Mao then cooled his heels for 17 days, waiting for another audience with Stalin.

When they met again, Stalin changed his tune on Yalta provisions regarding key points in Chinese-Soviet relations. He said he would indeed abrogate them.

The next month, the two nations signed a Chinese-Soviet Treaty, which opened what the United States saw as a new front in the Cold War. But the new records and recently released documents from Chinese archives suggest that the alliance did not have a strong foundation and may have been foredoomed.

The Russians "have never had faith in the Chinese people, and Stalin was among the worst," Mao told the Soviet ambassador, Pavel Yudin, in 1958, five years after Stalin's death, when deep fissures in the Chinese-Soviet alliance were appearing.

What is also clear, Chinese and American officials say, is that Mr. Wei's fate is being decided as Beijing and Washington are engaged in secret negotiations over the annual effort by the United States and European and other countries to condemn China's human-rights record at the United Nations Human Rights Commission in Geneva.

The question that will only be answered by Mr. Wei's trial and sentencing is whether the Chinese authorities are seeking to exert pressure on Washington to drop the condemnatory initiative in Geneva. But it could also be that they simply want to dispose of Mr. Wei's case well in advance of the Geneva proceedings in March.

Mr. Wei's younger brother, Wei Xiaotao, said over the weekend that the family had retained a prominent Chinese lawyer, Zhang Sizhi.

The outcry over Mr. Wei's case in part reflects the frustration among his supporters that the Clinton administration, which at one time strongly identified itself with Mr. Wei's

appeal for democracy, has gradually put distance between itself and China's dissidents.

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The charge against Mr. Wei carries a minimum penalty of 10 years in prison and a maximum penalty of death.



DHAKA MARCH — Anti-government protesters in Bangladesh over the weekend.

Top China Dissident About to Go on Trial

By Patrick E. Tyler
New York Times Service

BEIJING — China's Communist Party leadership has notified the family of the country's most prominent dissident, Wei Jingheng, that his trial on charges of trying to overthrow the government will begin Wednesday.

International human-rights groups called on President Bill Clinton over the weekend to condemn the criminal proceedings against the outspoken democracy campaigner, who has already spent 16 years in prison or detention for his essays and public statements.

Two former U.S. attorneys general, Richard L. Thornburgh and Nicholas D. Katzenbach, publicly offered to assist Mr. Wei's family in preparing his defense, although the gesture is sure to be rejected by the Chinese authorities.

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appeal for democracy, has gradually put distance between itself and China's dissidents.

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Bribery Charge for Korea's Chun

Compiled by Our Staff From Dispatches

SEOUL — Former President Chun Doo Hwan, indicted for a 1979 military coup, will also be charged with taking bribes while in office, according to prosecutors.

The prosecutors gave no figures, but opposition lawmakers allege that Mr. Chun amassed as much as \$1.9 billion from bribes during his 1980-88 term.

"The full scope of Mr. Chun's secret fund will soon be revealed," the senior prosecutor, Choi Hwan, said. "We intend to file bribery charges as soon as possible."

Mr. Chun was jailed last week on charges that he organized the 1979 military coup that brought him to power. He has since refused to eat, saying the accusations are a political retaliation by President Kim Young Sam, South Korea's first civilian president in 32 years.

Mr. Chun entered the second week of a hunger strike in his detention cell at Anyang Prison outside Seoul, and a prison official said Sunday that his health had deteriorated.

"He is continuing his fasting and his health is not in good shape," a prison official said by telephone.

pose and arrest the real culprits."

The MQM has accused the security agencies of kidnapping and killing the two men, a charge denied by the government.

"It seems the double murder may be an act of internal warfare," Mr. Khudro said.

The strike crippled transport. Most of Karachi's estimated 12 million people stayed home for fear of violence. Almost all businesses, including the Karachi Stock Exchange and the cotton and bullion markets, were shut. (AFP, Reuters)

Japan May Junk Its Leaky Reactor

The Associated Press

TOKYO — An official said Sunday that Japan would scrap plans to use plutonium-based fast-breeder nuclear reactors commercially if it could not pin down the cause of a serious incident in a reactor.

The experimental Monju fast-breeder reactor had to be shut down manually Friday when its corrosive coolant was released, but protesters renewed calls to end the project.

Mr. Togo called for a full

investigation, and expressed concern that the accident occurred despite stringent safety measures.

"Unless the cause of the accident is sufficiently determined and appropriate steps are taken, fast-breeder reactors will not be used commercially," he said Sunday.

The reactor, in Tsuruga, 335 kilometers (210 miles) west of Tokyo, began generating electricity in August.

Ask any news reporter who has spent years in the field which, of all the things they have witnessed in their long careers, was the most impressive.

We predict that they will not start

telling you about the coronation of a king, or the inauguration of a president. Instead they will recall a face, remember a person, perhaps from long ago, in a faraway place, who did something that stunned them.

Maybe it was an old woman who gave up her place on a refugee boat so that a mother and child could escape certain death. Or the dignity with which an ordinary family, confronted with the unthinkable,

endured famine, flood, disease or war. It might have been an act of insane courage, by someone whose name will never find a place in history books.

The history books are wrong. The real

history of the world is being enacted by millions of ordinary people right now.

History is happening all around us. We have to get in there amongst it and report it as it happens. We set up CNN

International to do just this. If you are a student of history, turn on your TV set and watch the news. As it turns into history before your eyes.



EUROPE

BRIEFLY EUROPE

WEU to Hold Crisis Exercise

BRUSSELS — The Western European Union will begin phase one of its first crisis management exercise Friday, the embryonic European military force announced Sunday.

The first phase of the three-part exercise runs through Dec. 21. The operational planning and force projection phases will follow the decision-taking phase in June and next December.

Twenty-six countries will join phase one, including full members, observer states, associate members and East European associate partners, the organization said. (AP)

Party Rift Shakes Bonn Coalition

BONN — Fissures in Germany's Free Democrats not only show no sign of abating ahead of a showdown vote this week but have begun to cast a shadow over Chancellor Helmut Kohl's coalition.

The junior partner that gives Mr. Kohl his 10-seat majority will announce Thursday the result of a members' poll on a in by Mr. Kohl's conservatives to allow electronic eavesdropping on private homes to fight organized crime.

The poll has sparked speculation about the survival of the party's cabinet ministers. Newspapers Sunday reported party opposition to Economics Minister Günter Rexrodt while Justice Minister Sabine Leutheusser-Schärrenberger has said she will quit if the plan wins clear support. (Reuters)

Papandreou Breathes on His Own

ATHENS — The ailing Greek prime minister, Andreas Papandreou, was in stable condition and breathing on his own without the help of a respirator for more than 24 hours, a hospital statement said Sunday.

A government spokesman said the prime minister could go home this month. But doctors have said it is doubtful that he can resume his duties even if he survives his illness.

Mr. Papandreou, 76, was rushed to hospital with pneumonia three weeks ago. (Reuters)

Irish Want IRA to Yield Weapons

DUBLIN — Most Irish voters want the Irish Republican Army to reverse policy and hand over its guns to win admission to new Northern Ireland peace talks, an opinion survey showed Sunday.

The poll was published in the Sunday Tribune of Dublin three days after the IRA said it would be "judicious" to give up weapons used to fight British rule of Northern Ireland.

According to the poll, 45 percent of voters thought the IRA should hand over all guns and explosives before the talks, while 31 percent thought it should surrender some as a gesture to win admission to the negotiations. (Reuters)

Saboteur Attacks French Reactor

BORDEAUX — A saboteur put salt into a cooling system at a nearby French nuclear power plant, officials said Sunday, and its turbines have been repeatedly shut down mysteriously.

About 500 grams (1 pound) of sodium chloride were added to the secondary cooling system of reactor No. 3 at the Blayais plant Friday, plant officials. The substance was immediately detected and removed without requiring the shutdown of the plant, they said. (AP)

Calendar

European Union events scheduled for Monday:

STRASBOURG: European Parliament meets.

BANGKOK: The external trade commissioner, Sir Leon Brittan, attends EU-ASEAN meeting.

BRUSSELS: Manuel Marin, vice president of the commission for relations with South America, unveils the EU-Mercosur agreement. SOURCES: Agence Europe, AFP.

Corruption in Italy: A Popular Pastime

By Celestine Bohlen
New York Times Service

ROME — Cheating the government is such an old and popular sport in Italy that stories about fraud, graft and abuse of public office take on a certain ho-hum quality. True, the great corruption scandals of 1992 made a big noise, bringing down an entire political class, but since then, it has been pretty much business as usual.

Evermore investigations produce evermore evidence of wrongdoing, not just among top politicians and businessmen but also among ordinary Italians.

"All of us, to a greater or lesser extent, are part of this crafty culture, all of us are ready to slip a bribe to a traffic cop so that he looks the other way," said Giuseppe De Rita, who heads the National Council of the Economy and Work.

That this way of life continues to permeate all facets of society is no surprise here. President Oscar Luigi Scalfaro recently noted with dismay that state officials continue "to take money that is not theirs."

In the meantime, the state still is not getting its due: unreported, and thus untaxed, income reached an estimated 18 trillion lire, or about \$12 billion, in the first 10 months of this year, according to a national audit.

Most recently, it has been the army's turn to face a scandal investigation. Investigators in Padua, Milan and Rome have unraveled a web of corruption that ranges from inflated procurement contracts to kickbacks on expense accounts to bribes for military exemptions. So far, 2,000 to 6,000 military officials are being investigated.

In a book titled "The Italy That Cheats," the research institute Eurispes offered a handy list of common Italian sins, perhaps unique to Italy, such as a general disdain for speed limits and seat belts or copyright violations on computer software and videocassettes.

Poland's President-Elect Gets Partial Court Victory



Opponents of President-elect Kwasniewski whistling and chanting their anger over Supreme Court ruling. (The Associated Press)

Reuters

WARSAW — Poland's president-elect, Aleksander Kwasniewski, survived a move to overturn his victory over the Lech Wałęsa, the incumbent and former Solidarity leader, over the weekend, but a court ruling that he had misled voters over his education could damage his authority.

The Supreme Court ruled that Mr. Kwasniewski, a former Communist turned social democrat, had broken electoral law by falsely claiming during his campaign that he held an economics degree.

But it rejected an application, backed by nearly 600,000 Wałęsa supporters, that Mr. Kwasniewski's narrow victory on Nov. 19 be annulled. It said it was impossible to determine how his claims had affected people's preferences.

Mr. Kwasniewski won the election by three percentage points, ending five years in office for Mr. Wałęsa.

The ruling was a mixed blessing for Mr. Kwasniewski, as even his closest allies testified.

"This is obviously not a comfortable situation," said Prime Minister Józef Oleksy, a former

Communist. "It has cast a shadow over the whole campaign," he told PAP news agency.

During a sometimes bitter electoral campaign, the articulate and elegant Mr. Kwasniewski presented himself as a pragmatic leader capable of uniting a nation divided over the past. He clearly convinced many skeptics that he, rather than Mr. Wałęsa, was the man to lead Poland into the European Union and NATO.

His appearances on television were impressive and reassuring, while Mr. Wałęsa sometimes appeared emotional and overwrought.

The court ruling opens the way for the swearing-in ceremony on Dec. 23, but commentators say it also sets the scene for vehement attacks on the president.

Many people may think that since Kwasniewski was dishonest about small things he may not be frank about bigger issues," said Halina Franczak, a sociologist of the Demoskop institute. She said the ruling could help the rightist opposition in parliamentary elections due in 1997, if it can overcome its own rivalries.

An Open Letter to the People of Europe

On the eve of the historic vote by the European Parliament on Turkey's entry into the Customs Union, I want to speak directly to the people of Europe on behalf of the citizens of Turkey.

When Mustafa Kemal Ataturk founded the modern Turkish Republic seven decades ago, he pointed Turkey firmly toward the West. Over this period, we have built a vibrant Western democracy at home and have consistently stood with the Western nations for peace and freedom abroad.

Ours is a relatively young democracy and still evolving. But we cherish the Western democratic values that were nurtured by your countries and we strive to perfect our democratic institutions.

Turkish citizens find that few Europeans are aware of our pioneering human rights activities. We have long provided a haven for peoples fleeing from religious oppression. 500 years ago we welcomed the Jews who were expelled from Spain... And 400 years ago, Protestants from Germany during the "30 Years War".... And, again, 60 years ago, Jews who were persecuted by the Nazis. We were also a leader in granting women suffrage in 1934, before many European nations.

Ataturk took dramatic steps to build Western institutions at an astonishing pace; we have carried forward his legacy. Our press is vibrant and free to criticize or attack the government, including the Prime Minister, on either personal or official grounds. We have opened our electronic media to private competition, quickly moving from two state television channels to 15 national channels, 360 local TV stations, and 1500 local radio stations. We may well now have the most varied and intensively competitive electronic media of any European nation. You know how effective a truly free press can be in probing government, exposing abuses and opening society. Ours is playing that role every day. Indeed the Turkish people have developed a media craving — with talk shows broadcasting all night, giving every point of view a hearing, and airing conflicting opinions from citizens across the country.

Our national election, to be held on December 24, will be another indication of our open political system. Twelve parties will be competing, representing the full range of views from left to right. Our elections are hotly contested, and conducted with widely recognized integrity and transparency. And to equalize parties, no paid television or radio commercials are allowed; instead, air time is provided to each party.

Consider, as well, our record as an ally of the West. For 40 years, we were a front-line state for Europe as a member of NATO in the battle against communism. Our soldiers readily stood with those from many of your countries in Korea, as well as in the Gulf War. We are providing facilities even now for Western

aircraft to fly missions to safeguard the embattled Iraqi Kurds.

At this moment, Turkish troops are participating as peacekeepers in Bosnia and more will soon be part of the NATO force. We are also providing police in Bosnia and have already committed \$80 million in aid to reconstruction. Turkey has been selected to coordinate all aid to Bosnia by the Organization of Islamic Conference.

I suspect that most Europeans would be surprised to learn of the generosity of Turkish citizens, who rank fourth in the world in foreign assistance based on GNP. This includes major financial and technical assistance to the newly-independent states of the former Soviet Union, as we help to stabilize their economies and strengthen their political institutions.

The racial and ethnic enmity and violence that has again erupted in Europe is a source of deep concern to our people. As a Muslim nation, we watched with alarm the inability of the world to stop the bloodshed in Bosnia; and we welcome the peace that has now arrived. Our citizens are also troubled by reports of incidents of discrimination and violence against Muslim residents of Europe.

We are confident that we can play a constructive role in stimulating understanding and tolerance in Europe, just as we have served as a bridge for peace in this difficult and unstable region. For example, we recognized Israel in 1948 while maintaining good relations with our Arab neighbors and aiding the Palestinians.

We are, in fact, a unique state. We are the only secular democracy among the world's 53 Muslim nations. We offer a different model to the Muslim world, just as we would bring a different cultural perspective to Europe.

We hope that this "Open Letter" to Europe's citizens will give you a better understanding of Turkey's democracy, as well as the hopes and concerns of our 60 million people.

Entering the Customs Union will not be an end for the Turkish people. Ataturk set us on a course of constant reform and improvement. Unlike some societies, we continually debate and struggle how to make our system better. Our people are truly excited by the prospect not just of joining with you, but of an open exchange of cultures and ideas. We know that we will bring insights to Europe, and that from you we will find new ways to upgrade and modernize all aspects of our economic, social and political life. Our citizens will not rest until we have joined the first ranks of Europe in every aspect of our national life.

The Turkish people, who have willingly sacrificed and stood with you at the frontiers of freedom, now look forward to standing with you in working to expand our mutual prosperity, as well as Western values and our social and political well-being.

Prof. Dr. Tansu Çiller
Prime Minister of the Republic of Turkey

INTERNATIONAL

Foot-Wear Rally
On Foot in Paris

1,500 Commuters March

The Associated Press

PARIS — Serge Caboche could handle the four-hour traffic jams. He could even deal with abandoning his car and hitchhiking the rest of the way to work.

But when a passing truck threw up chunks of mud and snow all over his chin, Pierre Cardin suit, France's paralyzing transit strike went too far.

On Sunday, Mr. Caboche turned the tables, rallying 1,500 fellow commuters in a counter-demonstration against the strikers, whose walkout against government austerity measures has held France hostage for 2½ weeks.

"France is liberty, equality, fraternity — and liberty means being able to get to work," he said angrily. "There are no buses, no trains, no subways. People are tired. They're hard-hit."

Unions representing the strikers refused the commuters' call for minimal rush-hour transportation Sunday and repeated their demand for face-to-face talks with Prime Minister Alain Juppé.

Workers Force, one of the

most powerful unions representing railroad workers, vowed in a statement to rally 2 million people in nationwide protests set for Tuesday.

The strike, France's worst in a decade, has crippled mail delivery, closed schools and forced many hospitals to offer only emergency services.

But it has brought public transportation to a complete halt since Nov. 24, creating a colorful drama as people walk, cycle, hitchhike and roller-skate to work. Rides that took 30 minutes now take three to four hours.

The protesting commuters chanted, "Riders are exhausted," carried signs that read

"France Held Hostage" and "Minimal Service," and wore hats decorated with subway tickets as they marched Sunday from Place Chatelet in the heart of Paris to the vacant Gare de l'Est train station.

"In the evening, it's especially difficult. It's very tiring," said Isabelle Jacquelot, a Paris trader who has had to

hitchhike to work. "I'm not angry — not at all. But I have to go bankrupt as a result of the strike. Many companies have



Protesters in Paris calling on Sunday for restoration of public transportation services.

the strikers should have the right to block the entire economy."

The strike is exacting a heavy price just as France recovers from the recession that hit Europe in 1992.

Mr. Caboche is president of the Federation of Small and Medium-Sized Enterprises, which predicts that as many as 5,000 companies will go

bankrupt as a result of the

strike. Many companies have

been crippled by a lack of deliveries, and the transit shutdown has kept customers at home.

"There's a right to strike, but there's also a right to work," said Mr. Caboche, whose own commute to his grocery business in Paris — half driving, half walking — takes up to four hours each way.

The government has been forced to rent 1,700 buses and about 30 "bus boats" on the Seine to get suburban commuters into Paris and shuttle people around. Even so, the emergency service handles only about 100,000 of the 800,000 commuters who normally rely on public transit.

"I can work, but with a lot of pain," said Baudoin Delamare, a Paris businessman who spends up to eight hours commuting daily. "I'm very angry. The strikers should give us a break."

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INTERNATIONAL

Bosnia's Gordian Knot**Allies Name Carl Bildt to Head Rebuilding**By Richard W. Stevenson
New York Times Service

LONDON — The United States and its major European allies used the conference on planning the reconstruction of Bosnia to demonstrate that their commitment to bringing peace and stability to the former Yugoslavia did not end with the dispatch of troops to Bosnia.

But the two-day meeting in London attended by more than 40 countries was slowed by the sheer scale of the problems, from repatriating refugees and rebuilding houses to restoring the shattered economy.

The countries did not even try to address the critical question of who would pay for a program that in the long run could cost \$5 billion or more.

And while they settled on Carl Bildt, the former Swedish prime minister and European envoy to the Bosnia peace talks, to lead the civilian reconstruction effort, they only touched on the complexities of specific issues, such as how to create a central bank, or a police force acceptable to all parties.

For peace to take root, they said, governments and international agencies would have to work together to create out of the rubble of war the physical, political, legal and economic foundations of a stable society.

The presence of 60,000 NATO troops in Bosnia "can help insure that the wounds of war do not reopen during the next year," Madeleine K. Albright, the U.S. representative to the United Nations, said Saturday. "But the only concentrated therapy that can heal those wounds is the hard work of restoring Bosnia's economy, democracy and respect for the rule of law."

But delegates to the conference acknowledged that efforts to turn their commitment into action would be complex, time-consuming, expensive and potentially fraught with conflicts.

No one could say in detail how or when the more than 2 million people who were forced from their homes would return. They include about 1.7 million refugees outside Bosnia.

Sadako Ogata, the UN high commissioner for

refugees, said there had not yet been any comprehensive survey of what housing was available in what towns, and that it remained unclear how much it might cost to provide housing for those who wanted to return.

Many other issues remained unresolved, including whether refugees who have not returned to Bosnia by the time elections are held, probably next summer, could vote by absentee ballot.

The United Nations was given the task of providing a temporary police force, and said it would try to recruit 1,500 officers from member nations to provide a skeleton law-enforcement agency and begin recruiting and training Bosnians for the job.

J. Brian Atwood, the administrator of the U.S. Agency for International Development, said one of the biggest challenges would be creating a functioning economy in a country that had not only been decimated by war, but that had not even begun the shift from communism to capitalism before fighting broke out.

Economic redevelopment would require steps like setting up a central bank and a currency, and rebuilding factories and roads, delegates said.

The Bosnian foreign minister, Mohammed Sacirbey, said the country's goal was to restore the per capita income of its citizens, which is now almost nothing, to two-thirds of its prewar level in five years. He said Bosnia would need at least \$1 billion a year in international aid for the next three to five years to rebuild the economy.

But even before there were any comprehensive independent estimates of the cost of reconstruction, the United States and Europe were haggling over who would pay how much.

Before the conference, the Clinton administration rejected a proposal by France that the United States and Europe each pay a third of the reconstruction bill, with the rest picked up by wealthy countries, Islamic and otherwise.

Citing budget difficulties and the need to focus on congressional support for sending 20,000 troops to Bosnia, the administration has proposed paying around \$600 million, about a third of what Europe wants the United States to contribute.

Carl Bildt making a phone call at London conference while musicians wait to begin.

**Life in Prison For Stowaway Murders**

Reuters

ROUEN, France — A French court sentenced the Ukrainian captain, Vladimir Il'inskiy, 60, and his second-in-command, Valery Artemenko, to life in jail. Life in jail is France's harshest criminal penalty since capital punishment was abolished in 1981.

The court also sentenced three other Ukrainian crewmen from the vessel, the MC Ruby, to 20 years each in prison for beating the eight with an iron bar, shooting them and dumping their bodies in the Atlantic Ocean.

Judge Jean Reynaud read out the sentences after more than 12 hours of deliberations by the jury, ending a month-long trial over the deaths of seven Ghanaian crew and one Cameroonian.

The grisly killings were discovered only because one Ghanaian stowaway, Kingsley Ofusu, managed to escape the massacre and hide in the hold of the vessel.

He sneaked ashore when the MC Ruby docked in a French port and told his story to the police. He took a handful of cocoa beans from the hold to help support his story.

Unlike the others sentenced from the MC Ruby's 23-strong crew, Captain Il'inskiy had been accused only of complicity in the crimes.

The other four were accused of kidnapping, murder and attempted murder.

The public prosecutor at the trial had urged the court to sentence all the defendants to life imprisonment and had called Captain Il'inskiy a man "who forbade nothing, a Pontius Pilate who seeks refuge in false innocence."

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Herald Tribune
INTERNATIONAL
THE WORLD'S DAILY NEWSPAPER

New Sex Scandal Sinks a U.S. Admiral 'Involved' With AideBy Eric Schmitt
New York Times Service

WASHINGTON — In the latest setback for an increasingly beleaguered navy, a senior admiral in Europe has been demoted and forced to retire early after being found guilty of sexually harassing a woman who works for him.

A navy inquiry concluded last week that the officer, Rear Admiral Ralph L. Tindal, who is deputy commander of NATO forces in Spain and Portugal, was involved in "an inappropriate" yearlong affair with a female enlisted aide.

Admiral Tindal, a 55-year-old Naval Academy graduate, was found guilty of adultery, frat-

ernalization, conduct unbecoming an officer and sexual harassment, said Rear Admiral Kendall Pease, a navy spokesman.

Admiral Tindal was given a punitive reprimand, fined a month's pay of about \$7,700, and placed under house arrest for 30 days. After the punishment was ordered, Admiral Tindal, a 35-year navy veteran, requested early retirement. He will be demoted a rank to one-star admiral when he leaves the navy early next year.

The severe administrative punishment reflects the navy's desire to make a stern example of Admiral Tindal for abusing his position of authority with a female subordinate. But the navy did not want to send the admiral to a court martial

that would prolong the navy's embarrassment and, one navy official said Friday, "revictimize" the female aide.

Instead, his case was heard at an admiral's mast, a private administrative hearing.

The woman, an enlisted aide, has been ordered to undergo counseling but will stay in the navy. She is believed to be in her 20s, but the navy would not identify her or give her age. Officials said the difference in the ranks and ages of the admiral and his aide were factors in the case.

Admiral Pease said the administrative assistant had entered into "an extended intimate relationship" with the admiral, her superior. "But there were elements that were not entirely

consensual," he said. "There were harassing elements. She tried to break it off, and that was not well received."

Admiral Tindal is married. Admiral Pease said.

The episode is the latest in a string of embarrassing incidents that have rocked the navy just as senior officials believed they were putting the 1991 Tailhook sexual harassment scandal behind them.

The incidents raised such alarm that last month the navy's top admiral, Jeremy M. Boorda, ordered all navy personnel to suspend operations for one day to figure out how to keep themselves and colleagues out of trouble.

**THE GOOD NEWS FOR EUROPE'S HIGH-FLYERS.**

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EDITORIALS/OPINION

Herald INTERNATIONAL Tribune

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Universal Human Rights

Sunday was International Human Rights Day, so designated to remind an often uncaring world that there is a Universal Declaration of Human Rights. It was adopted 47 years ago by the United Nations to establish some clear standards for the treatment of citizens by their governments. There has been progress on human rights in recent years. The demise of the Soviet Union and its empire ended a terrible tyranny for millions of people, as did the end of apartheid in South Africa and the advance of democracy in Latin America and Korea. But too many governments retain repressive practices.

The path ahead is blocked in many Asian countries by stubborn government opposition. The complaint goes like this: It is fine for advanced nations like the United States to talk about rights like the rule of law and protection of dissent, but we are addressing the more basic needs of people for food and shelter, medical care and schooling. Besides, say countries like China, Indonesia, Vietnam and Singapore, the Universal Declaration is essentially a Western document, rooted in values that are alien to the East.

These objections have a plausible ring, but they are misguided.

The first argument assumes a necessary conflict between respect for human rights and imperatives of development. It is patronizing, indeed almost insulting to Asians and others, to suggest that citizens in developing countries should not have the same rights as those in more developed lands.

The new attack coincides with a growing reluctance among richer nations to impose sanctions that might limit their access to lucrative markets. Free markets do help nurture freer societies, as in South Korea. But experience shows that outside pressure is a vital catalyst, and that sanctions can assist the demo-

cratizing process, as in South Africa. Nor is there real weight to the argument that the United Nations declaration, with its emphasis on rule of law and political accountability, somehow conflicts with Asian value systems. The point is effectively made by Aung San Suu Kyi, the Burmese human rights activist, who cites the Buddhist view of kingship: "The Ten Duties of Kings are: liberality, morality, self-sacrifice, integrity, kindness, austerity, non-anger, nonviolence, forbearance and non-opposition to the will of the people."

Different cultures nurture different political values, but over the centuries the world has evolved international codes that express universal aspirations. Although slavery is viewed as legitimate in some cultures, and some theocracies believe that those they label as heretics should be slain for writing books, the world is surely not wrong to prohibit slavery and condemned assassination edits.

China's views on human rights are most paradoxical. Here is a Communist society that preaches the universal validity of Marxist principles, yet hypocritically rejects principles intended to protect workers from being exploited in prison camps and to uphold the rights of homegrown dissenters like Wei Jingsheng.

There were brighter developments in 1995. Countries as different as Honduras and Chile, Ethiopia and South Africa, conducted judicial proceedings against military and security officers accused of human rights crimes.

Let it be affirmed again that some truths are globally self-evident, and that a society deserves to be judged by its treatment of those least able to defend themselves, and by the degree to which rulers govern by consent and persuasion, rather than by terror.

— THE NEW YORK TIMES.

On the 366th Day

It is laughable to find some of President Bill Clinton's Bosnia critics complaining that he has no "exit strategy." The more salient criticism is that he has too much of an exit strategy. In making a commitment to pull American ground forces out in 12 months, he embraced a constraint that may work against accomplishment of the American mission.

It is not simply that such a deadline beckons lawmakers to lie low for a year and leap up on the 366th day. It is that if progress toward peace lags, the United States and its allies will come under heavy pressure simply to leave a mess. Zbigniew Brzezinski speaks for many when he warns that, given the shortness of the deadline, the much discussed "mission creep" may be less of a concern than "mission bug-out."

Some suggest that the 12-month limit was drawn to make sure that the intervention would be completed by the American elections. This does scant credit to the readiness of President Clinton, who starts out with low public confidence in his capacities as commander in chief, to take on a demanding project that could be blowing up in his face just as American voters go to the polls.

The deadline was conceived as a minimum period in which the United States could reasonably hope to see Bosnia sur-

ive its rescuers' departure. The tasks deemed necessary for success go beyond separating forces into economic revival, the conduct of elections and, crucially, building Serbian arms down and Muslim arms up so as to create a military balance. By the president's telling, his military advisers and NATO allies assured him that this formidable mission could be accomplished in a year.

There are those who want the president to stretch the deadline and create for himself some space so that a combined Bosnian collapse and American "bug-out" will not be coldly staring him in the eye in a year. But Mr. Clinton has with reason hesitated to convey anything more than that he might show some flexibility. He wishes to deny critics and political rivals an opening to attack either his policy or his personal constancy.

Thus has he denied his policy the extra credibility it might enjoy if the United States were planning to stay on for that 366th day. Given who he is, nonetheless, it could hardly be otherwise. The friends whose support is offered to American policy, like the critics whose support is offered just to American soldiers, are left to do what can be done to bring Bosnia to some degree of peace, stability and order in 12 months.

— THE WASHINGTON POST.

Tension in Mexico

Question: What do South Korea, Italy and Mexico have in common? Answer: All three are countries moving from authoritarian or one-party regimes to open democracy. In each of the three, the previous regime ran on pervasive corruption — that can't stand the kind of scrutiny it is getting under the new system. All three are countries that have become a lot richer during the past generation, and the amounts of money in the corruption cases are startlingly large. But there are also important differences among the three, and among them Mexico is the country to worry about.

South Korea's elected government is pursuing the cleanup with muscle and great self-confidence, jailing two former presidents of the country who represent the earlier era.

The demise of Italy's once dominant Christian Democratic Party a couple of years ago has led to much turmoil, but the basic stability of the country is hardly in doubt. It is reinforced by the strong framework of the European Union.

The United States has tried to extend a similar framework to Mexico with the North American Free Trade Agreement, but it is too recent to have the European Union's solidity. Unlike the EU, it cannot enforce democratic standards. In both Italy and Mexico, political corruption has been augmented by tremendous flows of

drug money and the persistence of highly organized crime. Mexico, less rich than Italy, is less well equipped to fight back.

Carlos Salinas de Gortari, who was president of Mexico until a year ago and is now living abroad almost as a fugitive, faxed a long and vehement letter last week to several news organizations. The denigration that he has suffered in the past year, he wrote, is being led by a cabal of old-guard politicians, including another former president, Luis Echeverria, who bitterly oppose Mr. Salinas's economic reforms and his attempts to move Mexico away from its tradition of top-down politics. Some of those politicians, Mr. Salinas further charged, have ties to the drug dealers. None of that, certainly, is proved. But he is surely right when he says: "Nothing that has happened in Mexico this year is removed from the tremendous power struggle."

In Italy and South Korea, the old regimes are gone forever, and those countries have moved decisively to a new stage of their political lives. But in Mexico the anti-democratic forces are still very much alive and fighting with great energy to regain their perquisites. Mexican democracy will probably win in the end, but it is far from a sure thing. This tremendous quarrel, as Mr. Salinas says, underlies everything else in Mexico's politics.

— THE WASHINGTON POST.

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Start Reforming Saudi Arabia While There Is Time

By Thomas L. Friedman

WASHINGTON — Somehow it just got lost in the headlines, between the assassination of Yitzhak Rabin and the culmination of the Bosnia peace talks. No one ordered flags lowered to half-staff and there was no saturation coverage on CNN, but the car-bombing of the Saudi-American military office in Riyadh on Nov. 13 deserves more reflection.

Five Americans were killed and some 30 wounded in the incident. It was the most devastating terrorist attack on Americans in the Middle East since the Beirut Marine bombing 12 years ago. If such an attack were to happen in Bosnia, it could jeopardize the whole U.S. operation. So why is it shrugged off in Saudi Arabia?

In part it is because no one knows who did it — although a number of shadowy Islamic groups have claimed responsibility, and Saudi officials have put out a police sketch of one of the suspected car-bomb drivers. In part, though, the silence is because U.S. officials fear drawing attention to anything unusual going on in Saudi Arabia. U.S. interests there are so vital that officials don't want to say anything that might rattle the ruling family or the U.S.-Saudi relationship.

The United States has even withdrawn diplomats from Riyadh who the Saudis felt became too knowledgeable and frank about problems in the kingdom.

(Compounding Washington's challenge in reading Saudi Arabia these days is the fact that the Saudi ambassador to the United States, Prince Bandar bin Sultan, who, when he is engaged, is a brilliant diplomat capable of giving U.S. officials a unique understanding of his country, has spent very little time in Washington since the start of the Clinton administration. He is usually in Saudi Arabia or Colorado.)

It would be wrong to exaggerate the significance of the Riyadh bombing. Saudi Arabia is not on the verge of collapse.

The durability of the Saudi state, and the instinct for survival of the ruling al-Saud family, should not be underestimated. But it would be equally wrong to ignore this event, and say that it tells us nothing.

To begin with, U.S. officials believe, from initial FBI investigations, that this attack on the administrative offices of the U.S. team training the Saudi National

Guard — which protects the ruling family — was probably an in-house job. That is, the attack was masterminded by Saudis against Saudis. There is no evidence yet of foreign direction. If that proves to be the case, then clearly some of the domestic opponents of the Saudi ruling family now have the will, the sophistication and the resources to take their opposition to a whole new level.

Another thing this tells us has to do with the peace process. U.S. officials are hoping that Saudi Arabia and other Gulf states will open diplomatic ties with Israel as part of a Syrian-Israeli peace deal. Whether this bombing was perpetrated by radical Islamists or not, the Saudis will assume that it was, and this is going to make them even more reluctant to accept an Israeli embassy in Riyadh any time soon.

This bombing should also draw attention to the fact that 74-year-old King Fahd is ill, and there must be maneuvering behind the scenes over succession. Who knows whether it was connected with this bombing. But successions are never happy times. People get nervous. Funny things happen.

Finally, while Saudi Arabia is not go-

ing to become a democracy tomorrow — and even if it did it would not satisfy the radical Islamists — the long-term stability of the country does depend on the ruling family thinking more seriously about how to broaden its support, curb corruption and give nonviolent critics more outlets for expression. With half the population under the age of 15, with sagging oil prices forcing the government to cut back on services and jobs, the Saudis might be wise to loosen the steam valves a bit.

That is a conversation Washington should be having with Riyadh. Saudi Arabia today is not in crisis. It is in that gray zone before a crisis. It is in that decade when the aging leadership is hunkered down, living off old habits and assuming that nothing will ever have to change.

This is precisely the time when some gradual, farsighted reforms can be introduced, without the pressure of mobs or widespread violence, and, if done properly, can actually strengthen the Saudi system. Washington must not squander these years of quiet by keeping its head in the sand. This is the moment to be thinking ahead — the moment before it is too late.

The New York Times.

The Important Thing About Russia's Election Is That It Occurs

By Flora Lewis

MOSCOW — Asked to forecast his party's results in Russia's coming parliamentary elections, a top aide to the Communist Party leader Gennadi Zhuganov quoted Stalin. "What matters is not how people vote, it's who does the counting." And he laughed.

There is deep and widespread skepticism about this country's second free legislative elections, on Dec. 17. Yet they are important because they are being held at all. Earlier this year there were many doubts about that. Now it is considered essential as a dress rehearsal for the presidential election scheduled next June.

And there are doubts about whether the June election will really take place. A current Moscow joke goes, "What will happen if Boris Yeltsin isn't elected the new president next year?" Answer, "Then he'll stay on as the old president." Nobody is quite sure whether he would actually step down if he runs and loses.

Nikita Khrushchev was the first Soviet leader to survive losing power, in an early 1960s coup.

Mikhail Gorbachev was ousted with the collapse of the Soviet Union in 1991, and lives to ponder it. Who knows, Mr. Yeltsin could be the first to accept defeat with grace.

The Communists are set to be the largest party in the next Duma, and with their allies may come near to almost a majority. But it doesn't mean that Russia will be back to communism.

For many people now, democracy means chaos, crime, economic misery and a humiliated homeland. Confusion, suspicion and a hazy nostalgia for what is remembered as a time without uncertainties are dominant.

Still, things are moving on. A certain market economy has taken hold, although it is still far from free and there is more manipulation of money than real investment. There is a definite generation gap.

Mr. Zhuganov tells his crowded meetings that a third of his supporters are young, and the audience of practically all gray-

heads applauds dutifully. He is old-style, a big, bulky pink-faced man who gives plodding speeches with glowing generalities and attacks on the "democrats who ruined everything." For some, the familiarity is reassuring.

Reports from around this enormous country indicate more public interest in regional and local elections, where reformers with a fair record sometimes have strong support. It doesn't necessarily carry over to national government and more energetic national reform parties. Except for evident general disquiet, the results will not be clear to read. It will almost certainly be a mistake to take them as any definitive sign of where Russia is going.

Foreign affairs are very far down the list of concerns, and they are primarily for what they mean about Russia's identity. Russia's standing in the world, Russia's ability to command serious respect as a once and future great power.

Don't look for geopolitical log-

icalists argue that the United States is plotting to keep Russia weak and run the world. NATO is seen as the enemy rather than America. "We want to get on with America, we know we need it," said another analyst.

So there are bound to be frictions ahead as the Russians concentrate on sorting out their own hopes and fears, reshaping the myths and convictions they feel they need to keep the nation together. The contradictions cannot be ignored, nor should they be overlooked.

It's a hard time, and cool reason doesn't help much.

A veteran Russian diplomat cited with warm approval the speaker of the Ukrainian Parliament, "a Communist," he said pointedly. The words he liked were, "He who doesn't regret the end of the Soviet Union has no heart, he who wants to restore it has no brains."

Elections matter because there is no other way to democracy, but the coming ones are just another small step. At least it is being taken. Then on to the next one.

— Flora Lewis.

For American Foreign Policy, Multilateralism Is the Only Option

By Stephen S. Rosenfeld

WASHINGTON — The handsome and much-needed support that Bill Clinton is getting from Bob Dole on Bosnia moves the American foreign policy debate to the key tension still niggling at Washington's gathering bipartisan consensus.

It is whether, on the litmus issue of how to prepare Bosnia for a U.S. departure a year hence, the United States alone or NATO as an alliance should undertake the crucial business of establishing a military balance by arming and training the Bosnian Muslims.

Senate Majority Leader Dole, front-runner for the Republican presidential nomination, is more a strident than an incorrigible unilateralist. But here he favors having the United States arm the Bosnians on its own. This is consistent with his oft-stated faith in American leadership and freedom of action and his suspicion of subcontracting American foreign policy and subordinating American sovereignty to "utopian" multilateral bodies.

President Clinton in Dayton evidently assured the Bosnians (al-

though not in the text of the agreement) that they would not be left in the lurch. He quickly dispatched a mission to start assessing Bosnia's new potential military needs. But if a Muslim buildup is finally required to compensate for a lagging Serb buildup, Mr. Clinton wants the task picked up by others, perhaps first Turkey, a NATO ally and a secular Muslim state.

Who is right? Almost certainly the president. His own earlier uncritical embrace of multilateralism was careless, and he is still paying a political and diplomatic price. He can hardly depict Mr. Dole any longer as an incipient neo-isolationist. But on the prickly and portentous matter of who will arm Bosnia, his bid to have NATO do it would spare Washington the embarrassment of vis-

ibly and singly strengthening one side while claiming to be impartial and neutral. It would blunt the risk of leading Americans into an open-ended commitment to Bosnia all by themselves.

These disadvantages are noted, by the way, not just by the administration but by critics of the right who don't want the United States to shoulder any extra responsibilities in Bosnia. Mr. Dole has yet to effectively counter their claims.

On the broader canvas, the merits similarly favor a careful multilateral approach. Not that unilateralism and multilateralism are entirely at odds. As George Bush showed in the Gulf war, the best way to bring in allies may be to convince them that the mission is important enough for Americans to launch on their own.

Still, argues Robert Blackwill, late of the Bush administration, there is

INTERNATIONAL

Peres May Seek Formal Alliance With the U.S.

Israel Interested in Added Security in the Event of a Deal on Golan

By Serge Schmemann
New York Times Service

JERUSALEM — After a whirlwind first month in office, Prime Minister Shimon Peres went to the United States Sunday to rally American Jews and to meet President Bill Clinton to explore new avenues toward peace with Syria.

Beforehand, Mr. Peres conferred with leaders of Jordan, Egypt and the Palestinians to underscore that he was traveling to Washington with the support of those Arabs with

whom Israel has made peace. Almost from the day he took office on the death of Prime Minister Yitzhak Rabin last month, Mr. Peres has declared that peace with Syria is his overriding priority. He has also made clear that he considers the previous approach, debating security issues on an ambassadorial level with some mediation by the United States, to be a dead end.

On his return flight from Cairo on Thursday, Mr. Peres said he was not going to Washington with a specific strategy

but to discuss various approaches. "I am not coming with conditions — I am coming with ideas," he said. "My major purpose is to discuss the next step in the peace process, the possibilities of overcoming disagreements between Syria and ourselves."

Syria's reaction to Mr. Peres's efforts has been one of cautious curiosity. This past week, the chief American mediator in the Middle East, Dennis B. Ross, held meetings with the Syrian president, Hafez Asad, and the State Department

announced that Secretary of State Warren M. Christopher would visit Jerusalem and Damascus soon after Mr. Peres's trip.

In his visits to Jordan and Egypt, Mr. Peres lined up the support of King Hussein and President Hosni Mubarak. In Egypt, Mr. Peres removed a major source of friction by agreeing to investigate the treatment of prisoners by both sides in past Mideast wars.

The issue arose last summer, when a retired Israeli general acknowledged that he had killed 49 Egyptian prisoners in the 1956 war in Sinai, and said that at the time, Mr. Rabin refused to order an inquiry, arguing that this would create a storm of mutual recriminations. The matter continued to fester in Egypt, and Mr. Peres announced that he was appointing a reserve army general, Shlomo Lahat, who is also a former mayor of Tel Aviv, to head the former.

President Mubarak, for his part, greeted Mr. Peres with full honors, and expressed confidence that talks with Syria would begin and that "this would be the end of the problem

of the Middle East and the war in this part of the world."

On his trip to Washington, Mr. Peres is expected to discuss with President Clinton the possibility of a formal alliance with the United States. This idea has been raised in the past, but Israel has generally felt that it must retain full flexibility in its defense, and not be bound by a formal pact.

The question of an alliance has been revived as a way of guaranteeing Israel's security in the north if it withdraws from all or part of the Golan Heights. The heights overlook northern Israel and the southern Syrian plains, and the major issue for Israel in any deal on the Golan would be to find alternate means of assuring its security.

In a meeting on Friday with Yasser Arafat, the Palestinian leader, Mr. Peres also sought to eliminate some points of discord, primarily by promising to substantially increase the number of work permits issued to Arabs from the Gaza Strip. Restrictions on the number of workers allowed into Israel have been the biggest complaint from the Gazans, most of whom depend on jobs in Israel

LANGUAGE

The Default, Dear Brutus

By William Safire

WASHINGTON — When Republican budget-balancers balked at automatically raising the federal debt ceiling, many commentators warned direly that this inaction "raised the possibility of default."

The cartoonist Tom Toles of The Buffalo News showed Speaker Newt Gingrich examining a paper labeled "debt ceiling" while President Clinton, in a Roman toga, orated: "Default, dear Newtus, lies not in our underlings, but in ourselves, that we are stars." This was an especially apt parody of Shakespeare's lines in "Julius Caesar" as Cassius says to Brutus, "The fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings." The conspiratorial Cassius's point was that only their present political status as mere servants and subjects of Caesar, and not any vast destiny written in the stars, was the cause of their problem.

The erudite cartoonist, in addition to punning *default/the fault* and *Newt/Brut*, turned the meaning upside down, having the president say that the problem was rooted not in staff sides' mistakes but in the principal adversaries' lust for stardom. Brilliant cartoon. (Some Shakespearean directors tell their actors to accentuate the word *underlings*, shifting the emphasis to mean "the fault is our acceptance of subservience.")

A *default* is a failure — to fulfill a duty, to meet an obligation, to appear in court, to pay what is owed. A newer meaning, familiar to users of computers, is "an action that a program has been set to take unless otherwise specified by the operator," from *default* as an absence of instructions. ("Can't I get this damned hunk of machinery to *default* to a screen with narrower margins?")

The earliest English use, as *defaute* in a 1250 document, meant "offense, crime, sin," borrowed from the Old French *defaillir*, perhaps rooted in the Latin *fallere*, "to be wanting." The *l*, though recorded in 1393, was not pronounced for a few centuries; in Shakespeare's "Henry VI, Part 1," it rhymes with "about": "Alanson, Reigner, compass him about, / And Talbot perisheth by your *default*."

The *default* in the news has been the "thear" that the U.S. government, in a constitutional crisis, might fail to pay interest on its debt. But the recent focus on the word, in its sense of "failure to meet financial obligations," has led to usage in a more general sense. In an independent-minded Washington Post editorial

that stunned the commenting class, the headline read "The Real *Default*." The point was that the way to reduce the deficit was to cut growth of middle-class entitlements, including Medicare. Not "to lull the public," in an extension of the vogue word to its original meaning of general failure, the Post editorialist held: "If that's what happens, it will be the real *default*."

Readers puzzled last month at the unasked-for explanation in this space of *tortious interference* ("wrongly inducing the breaking of a contract with a third party") were soon rewarded by finding themselves nicely ahead of the news curve. The legal phrase came up in the story about the dismaying decision of "60 Minutes" not to broadcast an interview with a tobacco company whistle blower on the advice of CBS lawyers, lest that company be sued for inducing the whistler to break his secrecy agreement with the Brown & Williamson Tobacco Corp.

In a personal note at the end of the broadcast revealing the decision to suppress, Mike Wallace assured viewers: "We'll be able to continue the '60 Minutes' tradition of reporting such pieces in the future, *without fear or favor*."

The broadcaster used an alliterative phrase that resonated in the world of journalism, especially at The New York Times, which promptly published an editorial critical of CBS's excess of caution. In the lobby of the New York Times building is Vincenzo Mistrendino's bust of Adolph S. Ochs, who purchased the newspaper 99 years ago. With the bust is this excerpt from his credo, expressed in his opening issue in 1896: "To give the news impartially, *without fear or favor*, regardless of any party, sect or interest involved."

Rudyard Kipling, 10 years after the Ochs usage, popularized the phrase in a poem: "That we, with Thee, may walk uncowed / *By fear or favor of the crowd*." Before Ochs, a Judge McCaleb told a federal grand jury in 1846: "The wise, human, and salutary enactments of Congress must be respected and enforced with *out fear or favor*." Fred R. Shapiro of the Yale law library finds an even earlier citation in a legal data base: "The tenure of their offices, a legislative committee of the Commonwealth of Virginia declared in 1810, referring to U.S. Supreme Court justices, 'enables them to pronounce the sound and correct opinions they may have formed, *without fear, favor or partiality*.'

New York Times Service

Iran-Jordan Tension Rising

Agence France-Presse

AMMAN — Jordan and Iran have expelled each other's diplomats in tit-for-tat moves signaling a growing tension between the two countries over the Arab-Israeli peace process.

Jordan on Saturday ordered the first secretary of the Iranian Embassy to leave the country for allegedly trying to incite an attack on Israeli tourists.

Iran replied by giving a Jordanian diplomat, Ahmad Faisal Sabbagh, a week to leave the country on charges of "activities incompatible

with his status as a diplomat," the official Iranian news agency reported.

It was the first time Jordan had declared an Iranian diplomat in Amman as persona non grata, and it was seen as a sign of the growing rift between the two over the peace process.

Tension rose when the Iranian press stepped up its attacks on Jordan after King Hussein attended the funeral of Yitzhak Rabin, a diplomat in Amman said. At the funeral King Hussein described the assassinated Israeli prime minister as a "friend and a brother."



COMMUNIST SUPPORT — Fidel Castro being aided by General Secretary Do Muoi and a soldier at ceremonies Sunday in Hanoi. The Cuban visited China and Vietnam to see their adaptions to market economics.

Galileo Transmits First Data

Reuters

LOS ANGELES — NASA scientists on Sunday received the first data from the space probe Galileo — a message beamed over 2.3 billion miles from Jupiter.

The National Aeronautics and Space Administration's Jet Propulsion Laboratory reported that the transmission began arriving early Sunday morning.

The radio message from Galileo, the space vessel that traveled for six years before reaching its current orbit around Jupiter, is expected to provide scientists with their first measurements of the huge planet's atmosphere, composition, climate and weather patterns.

The data being relayed by Galileo were received from its 746-pound probe as it plunged into Jupiter's swirling, gaseous mass on Thursday.

While scientists were cheered by the successful reception of data, they will not know the quality of the information until the Galileo team analyzes it.

Earlier, members of the team cautioned that transmission would be on a "best effort" basis because the sun is currently between Earth and Jupiter and is likely to cause radio interference.

Galileo's probe gathered its data as it hurtled through clouds of water, helium, oxygen and nitrogen and endured Jupiter's winds of 200 miles an hour and violent lightning storms.

The probe's communication with Galileo cut off after 75 minutes, after which scientists say it was probably crushed and vaporized by the extreme pressure and high temperatures in Jupiter's upper atmosphere.

The transmission, which will consist of the first 43 minutes of the 75-minute transmission from the probe to its mother ship, will continue until Wednesday. It will be repeated twice more in January, when Earth and Jupiter will no longer be blocked by the sun.

AMERICAN TOPICS

Doomsday Clock Set Closer to Zero Hour

Saying the threat of nuclear apocalypse did not disappear with the end of the Cold War, the keepers of the Doomsday Clock have moved it three minutes closer to midnight.

"While we are back from the brink, we are not out of the woods," said Leonard Rieser, chairman of the Bulletin of the Atomic Scientists. "The world is still a very dangerous place."

He reset the clock to 14 minutes before the hour that symbolizes nuclear apocal-

ypse, citing growing world tension, deteriorating safeguards of nuclear stockpiles and the threat of nuclear terrorism.

The Doomsday Clock, introduced in 1947, has been reset 16 times to reflect world events. The closest it has been to nuclear midnight was 1953, when it was moved to within two minutes in response to the first hydrogen bomb explosion by the United States.

The clock was last changed in 1991, when it was moved back to 17 minutes before midnight in a wave of post-Cold War optimism.

The bulletin, established by scientists of the Manhattan Project that produced the first atomic bombs, is published by the Educational Foundation for Nuclear Science.

The bronze, 18-inch (half-

meter) clock hangs in the group's headquarters on the University of Chicago campus, and a likeness appears on the publication's cover.

Short Takes

Money machines may soon cost more money — perhaps from 25 cents to \$2.50 per transaction. Most U.S. banks will be able to begin imposing fees at automated teller machines outside a customer's home bank system beginning in April. Visa International, the credit card group that operates most of the 100,000 American cash machines, dropped its ban on surcharges last month after lobbying by banks. They contend that it is too expensive to run ATMs in tourist areas where they may not have branches.

Ken Donney is charged with murdering his estranged wife Nina. The California lawyer and Santa Clara University law school official says he accidentally stabbed her when he fell on her while carrying a knife. He says the 29 wounds, including four deep slashes, were made when she panicked and they struggled.

Short Takes

Money machines may soon cost more money — perhaps from 25 cents to \$2.50 per transaction. Most U.S. banks will be able to begin imposing fees at automated teller machines outside a customer's home bank system beginning in April. Visa International, the credit card group that operates most of the 100,000 American cash machines, dropped its ban on surcharges last month after lobbying by banks. They contend that it is too expensive to run ATMs in tourist areas where they may not have branches.

CROSSWORD

ACROSS

1 Applaud
2 "Just a —"
3 Damage
4 Mob scene
5 Dug up, as an
6 anecdote
7 Leisure suit
8 Mass
9 Composer
10 Rorem
11 Ones at hand
12 Midwest
13 Facility
14 Important point
15 Get-out-of-jail
16 money
17 Close up again

Solution to Puzzle of Dec. 8

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13 Like yard-sale
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14 Fast driver,
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17 (1958 Presley
film)
18 Composer
19 Rorem
20 Ones at hand
21 Midwest
22 Facility
23 Important point
24 Get-out-of-jail
25 money
26 Close up again

12 Soccer legend
13 Waste, in mob
14 Eye-popping
15 Feeling of
hunger
16 Lady Godiva got
them
17 Painter Max
18 Dancer Charisse
19 White-bearded
fellow
20 Ruby and
crimson
21 Existing verse

14 TV's "Taming
Taffy"
15 Plant exudation
16 Carved
17 Curative
18 Musical
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19 in a —
20 Tax collector:
Abbr.
21 Caramel-topped
dessert
22 Villain's
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23 Barron and
108, e.g.
24 Lab fluids

25 Ship's front
26 Million or billion
suffix
27 007 film
28 Like much
Schoenberg
music
29 Paintings
30 Reversal
31 In — (actually)
32 Venison
33 Japanese
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35 Bug
36 Mess up
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38 Film reviewer
39 Roger

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93 In — (actually)
94 Venison
95 Japanese
computer giant
96 Big steps
97 Mess up
98 Cognac (off)
99 Film reviewer
100 Roger

Puzzle by Elizabeth C. Gould
© New York Times/Edited by Will Shortz.

INTERNATIONAL

Pro-Yeltsin Party Uses Power to Get Air TimeBy Alessandra Stanley
New York Times Service

MOSCOW — The most arresting political advertisement flooding Russian television right now does not divulge who the candidate is or what party is being promoted. Instead, a series of heart-warming vignettes broadcast on the state-controlled network ORT gauzily suggest that, although it isn't quite paradise, life here isn't really so bad after all.

That is the message that the pro-government party Our Home Is Russia is desperately trying to sell to disgruntled voters.

This election year, there are new rules to control campaign financing and political advertising. But as their party's prospects in the Dec. 17 parliamentary elections appear to dim, panicked campaign strategists for Our Home Is Russia, which was founded this year by Prime Minister Viktor S. Chernomyrdin with President Boris N. Yeltsin's

blessing, are starting to bend the rules.

Using every advantage of incumbency, they have fudged financial statements, hogged network airtime on ORT and are now broadcasting negative advertisements against the Communist Party disguised as news documentaries.

One spot on ORT stars the actor and film director Nikita Mikhalkov as a floating cosmonaut musingly staring at Mother Russia from space. And since Mr. Mikhalkov is one of the leading candidates for Our Home Is Russia, many viewers, including many advertising analysts, assumed the ads were produced and paid for by the party.

Not quite. The ads were made by the ORT network, which claims they are public service messages. But since 49 percent of ORT's is owned by the same major banks and businesses that support Mr. Chernomyrdin's candidacy, the service seems mainly to favor him. And party officials appear grateful.

Worried by polls that show that the Communists could capture close to a third of the vote in the elections, Our Home Is Russia has unleashed a \$4.7 million negative advertising campaign.

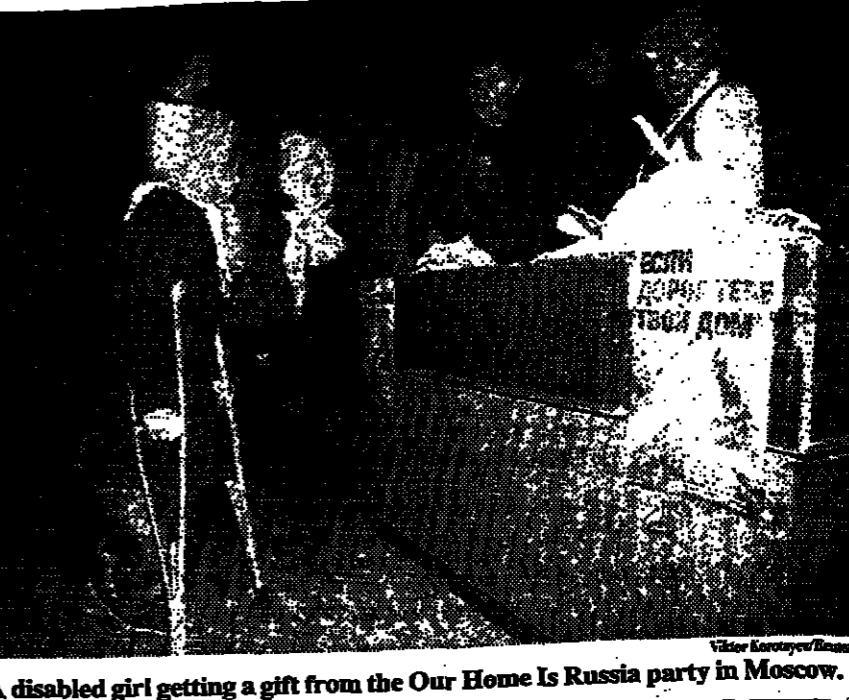
ORT is providing a certain amount of free airtime to all political parties for campaign advertisements and allowing them to buy a small amount of additional time, but somehow Our Home Is Russia has managed to obtain far more than other parties. The party has also gone on a spending binge. The airwaves are flooded with Our Home Is Russia commercials. Billboards all over the country flaunt Mr. Chernomyrdin's face, and the party is the official sponsor of a host of splashy rock concerts, special events at the Bolshoi theater and the Davis Cup tennis tournament.

But despite such costly extravaganzas, a recent financial statement that the party filed with the Russian Central Election commission showed that, as of Nov. 20, Our

Home Is Russia had collected only 90 million rubles (\$1.7 million) in its campaign bank account — and had spent none of it. Under the election law, all parties are required to establish open accounts in the state-owned Sberbank savings bank and periodically report all their contributions and expenses. The spending limit per party is 10.9 billion rubles.

In the same period, the party of the ultranationalist Vladimir V. Zhirinovsky, the Liberal Democratic Party of Russia, reported having taken in 9.9 billion rubles (\$21 million) and having spent 4.5 billion rubles.

Prodded by acid press reports on the discrepancy, the election commission threatened to investigate Mr. Chernomyrdin's accounts. The party filed a new statement with the election commission showing that, as of Dec. 3, the campaign suddenly had 7 billion rubles in the bank and had spent 3 billion rubles.



A disabled girl getting a gift from the Our Home Is Russia party in Moscow.

INTERNATIONAL RECRUITMENT

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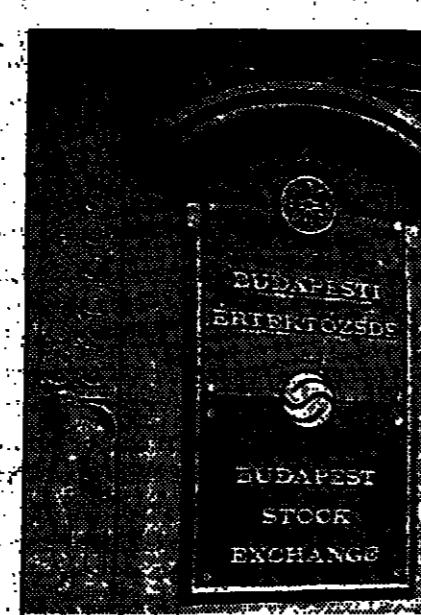
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PRIVATIZATION

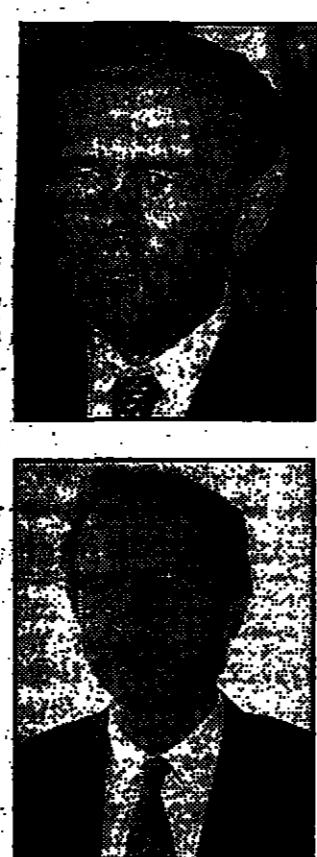
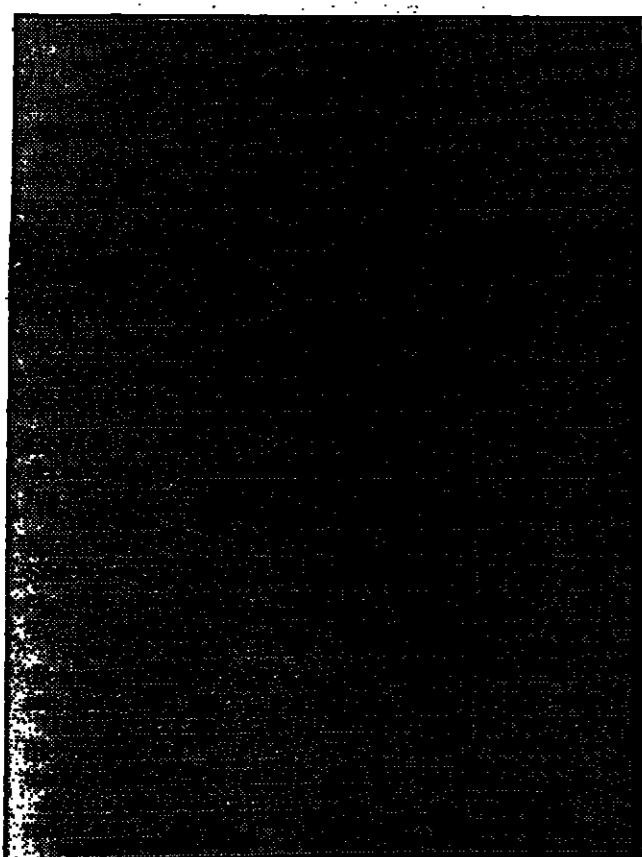
Hungary's widespread efforts to privatize its industries, including the key sectors of telecoms and energy, have already attracted massive foreign investment.



in



HUNGARY



Leading Hungary's privatization initiatives are (clockwise from top left) Gyula Horn, Hungary's prime minister; Tamás Suchman, the country's minister of privatization; and Imre Szokolai, chairman of the executive board of APV, Hungary's privatization agency.

AN UPDATE ON THE PROCESS

A checklist of privatization arrangements completed or in progress shows that much has been accomplished.

What has been privatized so far? Since January 1, 1990, some 749 companies have been sold by Hungary's privatization agencies, with investors having taken equity stakes in many of the 700 others remaining in the Allami Privatizációs és Vagyonkezelő Rt. (APV) portfolio.

Several thousand restaurants, grocery stores and other small businesses have been sold to their operators in the so-called "small-scale privatization" process, now basically completed.

In the first 10 months of 1995, APV and its predecessors reached agreements stipulating the sale of some 47 billion forints (\$41 million) in stakes in 160 companies, of which 78 have been completely sold.

One-third of this investment came from non-Hungarian investors; two-thirds was on a cash basis. And within a 10-day period in November this year, APV secured \$610 million in capital investment from non-Hungarian companies.

What has been changed? On June 16, 1995, Hungary's "Act XXXIX of 1995 on the Sale of State-Owned Entrepreneurial Assets" took effect.

The act set up a new privatization agency, APV, to succeed the State Property Agency and State Holding Company, separate organizations that were formerly responsible for the privatizing and managing of public-sector assets.

The act established simple, straightforward procedures for the sale of state-held companies to private investors. The act also listed the candidates

dates for privatization and set schedules for their sale.

What is in the works?

Tenders for the privatization of Hungary's electricity industry – opened by the APV on December 1, 1995 – resulted in bids from 25 foreign investors: 14 for the country's seven power companies, 10 for the six power suppliers, and one investor bidding for a 24 percent stake in MVM, Hungary's electricity supply corporation. If sales agreements are concluded as quickly as expected, these privatization moves may yield revenues before December 22, 1995. As we went to press, negotiations were reportedly "at an advanced stage" for GE Capital Services to acquire a majority stake in Budapest Bank, one of the country's blue-chip finance houses.

From pharmaceuticals to TV In November, foreign investors snapped up a 14 percent tranche of shares in Richter Gedeon, a highly successful pharmaceuticals manufacturer. APV still holds a 43.6 percent stake in the company.

MagyarCom, the consortium comprised of Ameritech and Deutsche Telekom, already owns 30 percent of

MATAV, Hungary's telecommunications corporation. The consortium is now negotiating to acquire a further, large-sized tranche of the corporation's shares, with the government reportedly planning on retaining a 25 percent-plus-one-share stake.

The privatization of some 150 to 200 small and medium-sized companies – primarily those with capital stock of less than 600 million forints (\$4.4 million) and with less than 500 employees – will be carried out via the so-called "simplified privatization" process, a privatization by tender system, over the next two years. In this process, bidding is open to all. Bidding amounts have to be above a pre-set minimum and are on a cash-only basis. The highest bid wins. Transfer of ownership is effected forthwith.

On the block

Now up for tender: 73 companies active in the food-processing, building contracting and supply, trading, agricultural, precision mechanics, wood processing, leather goods and mechanical industry sectors. Closing date for bids is December 29, 1995.

Next in line: Some 70 to 80 companies to be put up for tender by the end of December 1995, with the closing date of March 31, 1996.

According to the country's privatization law, the Hungarian government will retain majority ownership in 134 corporations. These primarily provide such "public goods" as bus service in rural areas, the conservation of forests, and postal services. The government has also granted itself a "golden share" in a number of other companies. ■

That \$610 million was 35 percent above APV's forecast figure, and represents 20 percent of all "hard currency" (meaning investment from the West) revenue received by Hungary's privatization program since 1990. The total is equivalent to the Czech Republic's entire 1994 foreign-direct-investment total, and "is more than the total foreign investment Romania has received since 1990," according to the Budapest Business Journal.

\$8 billion in investment Hungary has so far received a total of \$8 billion in foreign direct investment since 1990, making it the number one foreign direct investment target in Central and Eastern Europe. Of this total, around \$3 billion has been invested in privatization deals. The sales coincided with reports of progress being made on the privatizations of three other major corporations: MATAV, the national telecom company; Budapest Bank, the blue-chip commercial bank; and MVM, the country's electricity-supply authority.

If all these deals go through as planned over the next few months, the Hungarian government will surpass its target goal for privatization revenue during 1995-1996 by a formidable 60 percent. According to the OECD, the private sector will account for 70 percent of Hungary's total economic output this year if all pending privatization goes through as planned.

APV's senior executives are understandably delighted at the results of the first major sales campaign undertaken since the agency's start-up in mid-June this year.

"I would describe my reaction as being 'gratified'."

says Viktor Polgár, APV's executive director of communications. "Gratified that our hard, patient work has met with a satisfactory response from the world's business community, gratified that our government's carefully crafted policies have paid off so handsomely." The policies were articulated in the first few months of the regime of Gyula Horn, who was elected prime minister of Hungary in July 1994.

Removing obstacles

"In formulating our privatization policies, we have strived to capitalize upon the achievements and assets of the first four years of privatization, while removing the obstacles blocking further progress," says Tamás Suchman, the country's minister of privatization.

The State Holding Company's brief was the management of strategic, public-sector assets," says Mr. Polgár. "It turned out that this entailed the securing of private-sector capital, and that necessitated the company's engaging in privatization on a case-by-case basis."

"The prime achievement has been that we have truly privatized well over 60 percent of our economy, 96 percent of which was originally in state hands. By 'truly,' I mean our privatization has effected a large-scale infusion of private-sector capital and managerial and technological expertise into these companies, and not just the transferring of ownership, with which several other countries' programs have contented themselves," Mr. Suchman says.

"Another prime achievement has been that this privatization has been accomplished without mass lay-offs, and thus without causing hardship and without damaging our country's strong sense of societal cohesion."

"One of our great assets

has been that the great majority of these privatizations, especially the large-scale ones, have worked out well for their investors," Mr. Polgár comments.

Strategic management

These accomplishments have been achieved primarily by two public-sector institutions, the State Property Agency and the State Holding Company, the latter a rather inadvertent participant in the privatization process.

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Committed to free market

"I don't think there is any one single way our government could more forcibly indicate its commitment to the free market than this step," says Mr. Polgár. "With it, we have gone to the vanguard of the world's privatizers."

"I wasn't surprised at the level of international interest in securing stakes in our natural gas and petroleum processing and supplying companies," says Tibor Ferenczi, APV's deputy chief executive in charge of the telecommunications, transport and energy supply sectors.

"After all, it's not every day you get a chance to buy into a country's basic sector, and especially ones of such proven profitability," he points out.

The overwhelming attention accorded to these relatively few high-profile deals notwithstanding, the bulk of APV's work involves day-to-day assistance for the 700 or so companies remaining in our portfolio – revamping their business strategies, product lines and capital stock, so as to make them prime privatization candidates," says István Kocsis, deputy chief executive in charge of mechanical engineering, food processing, electricity supply and other sectors.

"Looked at individually, each of these companies is small. Collectively, they form a very important part of Hungary's economy,"

Mr. Kocsis concludes. ■



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Allami Privatizációs és Vagyonkezelő Rt.
(Hungarian Privatization and State Holding Company)

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CAPITAL MARKETS ON MONDAY

Most Active International Bonds

The 250 most active International bonds traded through the Euroclear system for the week ending Dec. 8. Prices supplied by Telekurs.

Rank Name	Cpn	Maturity	Price	Yield	Rank Name	Cpn	Maturity	Price	Yield
Austrian Schilling									
183 Austria	6 1/2	06/20/05	102.8000	6.4900	106 Germany	6	02/09/98	103.9000	5.7700
211 Austria	7	02/14/00	100.3000	6.5900	111 Germany	5 1/2	11/20/97	102.3100	5.7300
Danish Krone									
4 Denmark	7	12/15/04	98.8100	7.0800	114 Treuhand	5	01/14/99	101.7483	5.4400
8 Denmark	9	11/15/99	110.8000	6.1200	116 Germany	6 1/2	02/20/97	103.0200	5.7100
12 Denmark	8	03/15/00	104.5000	6.7400	118 Germany	6 1/2	02/20/97	103.0200	5.7100
21 Denmark	5	07/15/99	104.5000	6.7400	120 Germany	6 1/2	02/20/97	103.0200	5.7100
25 Denmark	8	11/15/01	104.5500	7.5100	121 Germany	3.9425	09/20/04	99.1400	3.9777
26 Denmark	9	11/15/98	108.5000	6.2900	122 Germany	5 1/2	02/09/96	100.1800	8.5500
33 Denmark	8	05/15/02	105.0000	7.5500	124 Germany	8 1/2	02/20/96	100.1800	8.5500
43 Denmark	7	10/14/94	100.8000	7.8000	125 Germany	5 1/2	02/20/97	102.3100	5.7300
44 Denmark	5	12/15/99	104.5000	6.7400	126 Germany	5 1/2	02/20/95	101.8000	5.5300
77 Denmark T-bills	2000	01/07/98	97.2227	24.2420	127 Germany	5 1/2	02/20/99	103.3000	5.7100
72 Denmark	2000	04/01/98	98.4138	5.1600	128 Germany	5 1/2	02/20/99	103.3000	5.7100
104 Denmark	7	02/15/98	103.4700	4.7800	129 Germany	5 1/2	02/20/99	103.3000	5.7100
137 Denmark	9	11/15/99	103.4700	4.7800	130 Denmark	2000	01/07/99	99.5675	4.4500
196 Denmark T-bills	2000	01/07/99	98.5675	4.4500	131 Germany	5 1/2	02/20/99	103.3000	5.7100
240 Denmark	6	02/07/99	103.0000	6.0000	132 Germany	5 1/2	02/20/99	103.3000	5.7100
Deutsche Mark									
1 Germany	6 1/2	05/12/05	105.4175	6.5100	133 Germany	5 1/2	02/20/99	103.3000	5.7100
2 Germany	6 1/2	10/14/05	103.2367	6.3000	134 Germany	5 1/2	02/20/99	103.3000	5.7100
3 Germany	7 1/2	01/03/05	108.9000	6.7800	135 Germany	5 1/2	02/20/99	103.3000	5.7100
4 Germany	5	07/15/99	103.4255	6.5700	136 Germany	5 1/2	02/20/99	103.3000	5.7100
9 Germany	6 1/2	03/15/00	110.6333	6.1300	137 Germany	5 1/2	02/20/99	103.3000	5.7100
10 Germany	8 1/2	04/15/01	113.3800	7.2800	138 Germany	5 1/2	02/20/99	103.3000	5.7100
13 Germany	7 1/2	07/15/99	103.4255	6.5700	139 Germany	5 1/2	02/20/99	103.3000	5.7100
14 Germany	5 1/2	08/20/01	115.4220	7.5500	140 Germany	5 1/2	02/20/99	103.3000	5.7100
15 Treuhand	6 1/2	07/15/99	105.5000	6.0400	141 Germany	5 1/2	02/20/99	103.3000	5.7100
16 Germany	7	01/13/00	107.9100	6.4900	142 Germany	5 1/2	02/20/99	103.3000	5.7100
17 Germany	7 1/2	01/13/00	107.3000	6.4400	143 Germany	5 1/2	02/20/99	103.3000	5.7100
18 Treuhand	7 1/2	01/23/99	107.3000	6.4400	144 Germany	5 1/2	02/20/99	103.3000	5.7100
19 Germany	5 1/2	08/22/00	101.1550	5.5700	145 Germany	5 1/2	02/20/99	103.3000	5.7100
20 Germany	6 1/2	04/24/98	93.0209	6.6900	146 Germany	5 1/2	02/20/99	103.3000	5.7100
22 Germany	7 1/2	07/22/99	104.5000	6.7100	147 Germany	5 1/2	02/20/99	103.3000	5.7100
24 Germany	7	10/22/99	105.4220	7.2100	148 Germany	5 1/2	02/20/99	103.3000	5.7100
27 Treuhand	6 1/2	05/11/02	105.2000	6.5000	149 Germany	5 1/2	02/20/99	103.3000	5.7100
28 Germany	8 1/2	05/11/01	104.5000	6.5000	150 Germany	5 1/2	02/20/99	103.3000	5.7100
31 Germany	8 1/2	07/21/97	106.2000	7.7400	151 Germany	5 1/2	02/20/99	103.3000	5.7100
32 Treuhand	6 1/2	05/13/02	104.4157	6.4500	152 Germany	5 1/2	02/20/99	103.3000	5.7100
34 Treuhand	6 1/2	05/13/02	104.4157	6.4500	153 Germany	5 1/2	02/20/99	103.3000	5.7100
35 Germany	5 1/2	02/22/99	103.2367	6.4800	154 Germany	5 1/2	02/20/99	103.3000	5.7100
37 Germany	8 1/2	10/22/99	105.2000	6.4400	155 Germany	5 1/2	02/20/99	103.3000	5.7100
38 Germany	5 1/2	02/22/99	102.1818	6.4000	156 Germany	5 1/2	02/20/99	103.3000	5.7100
39 Germany	6 1/2	01/03/98	105.0433	6.3700	157 Germany	5 1/2	02/20/99	103.3000	5.7100
42 Germany	8 1/2	03/07/99	104.8000	6.4100	158 Germany	5 1/2	02/20/99	103.3000	5.7100
47 Germany	6 1/2	05/15/93	103.0011	5.9400	159 Germany	5 1/2	02/20/99	103.3000	5.7100
48 Treuhand	6 1/2	11/12/00	100.4500	5.9700	160 Germany	5 1/2	02/20/99	103.3000	5.7100
49 Germany	6 1/2	05/15/99	104.5000	6.5000	161 Germany	5 1/2	02/20/99	103.3000	5.7100
50 Treuhand	6 1/2	12/02/98	103.4000	6.7700	162 Germany	5 1/2	02/20/99	103.3000	5.7100
51 Germany	6 1/2	05/20/97	103.4000	6.1600	163 Germany	5 1/2	02/20/99	103.3000	5.7100
52 Germany	6 1/2	05/15/98	104.5000	6.4300	164 Germany	5 1/2	02/20/99	103.3000	5.7100
53 Germany	6 1/2	06/17/96	91.5000	5.9100	165 Germany	5 1/2	02/20/99	103.3000	5.7100
54 Germany	6 1/2	05/20/98	103.4000	6.2100	166 Germany	5 1/2	02/20/99	103.3000	5.7100
55 Germany	6 1/2	05/15/99	103.4000	6.2100	167 Germany	5 1/2	02/20/99	103.3000	5.7100
56 Germany	6 1/2	05/20/98	102.9000	6.8100	168 Germany	5 1/2	02/20/99	103.3000	5.7100
57 Germany	6 1/2	05/15/99	103.4000	6.2100	169 Germany	5 1/2	02/20/99	103.3000	5.7100
58 Germany	6 1/2	05/15/99	104.5000	6.4300	170 Germany	5 1/2	02/20/99	103.3000	5.7100
59 Germany	6 1/2	05/15/99	104.5000	6.4300	171 Germany	5 1/2	02/20/99	103.3000	5.7100
60 Germany	6 1/2	05/15/99	104.5000	6.4300	172 Germany	5 1/2	02/20/99	103.3000	5.7100
61 Treuhand	6 1/2	05/15/99	104.5000	6.4300	173 Germany	5 1/2	02/20/99	103.3000	5.7100
62 Treuhand	6 1/2	05/15/99	104.5000	6.4300	174 Germany	5 1/2	02/20/99	103.3000	5.7100
63 Germany	6 1/2	04/21/03	103.3000	6.2800	175 Germany	5 1/2	02/20/99	103.3000	5.7100
64 Germany	6 1/2	04/21/03	103.3000	6.2800	176 Germany	5			

MONDAY, DECEMBER 11, 1995

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CYBERSCAPE

**Internet Companies
Taking Root in Israel**

Bloomberg Business News
IN VERED, Israel — Though born of a land permeated with reminders of the past, several Israeli companies are looking to the future by venturing onto the Internet. Nicholas Schmidt, a software analyst at Oscar Gruss, a New York investment firm, "A lot of their products work well, are user friendly and are well thought out."

Israel's state-run telephone company, Bezeq Ltd., lets customers buy a phone or look up a number on the Internet, for example, and VocalTec Ltd. software, that lets people make international telephone calls over the Internet for the price of a local call.

Israelis also exploit every competitive advantage they can see, including some that at first appear to be handicaps.

"We leverage the time difference" between Israel and Europe and the United States, said Gideon Mantel, the chief operating officer for CommTouch, which makes software for electronic mail and is based in Ein Vered. "A customer goes to sleep, and comes in to find the problem's been solved; he doesn't lose work time."

Robert Rosenschein, president of Accent Software International, a company in Jerusalem that has developed software in 35 languages, also says that a base in Israel is no disadvantage: "The world is getting smaller. We see ourselves at the frontier of human communications."

Investors seem to agree: Accent shares, traded in New York, have risen to \$23.625 on Friday from its initial price of \$6.50 on July 21.

Mr. Mantel has not ignored such precedents. He said he intended to sell the public shares in his 4-year-old privately held company next year. He declined to say how much CommTouch, which has 30 employees, was worth, or what its sales were.

But he did say there will be 3 million copies of CommTouch's \$69 Pronto Mail on computer screens by 1996. It also has two new products: Pronto Secure, which encodes messages for security and sells for \$249, and Pronto Mobile for laptop computers, for \$89.

Pronto Mail was labeled "a hauntingly good E-mail package" by the magazine "NetworkWorld."

"E-mail is the application of the 90s," Mr. Mantel said. "All the Internet hype is about browsers, but the vast majority of the Internet's users use E-mail while only 30 percent are browsing."

CommTouch products in the works include customized ser-

Very demanding' customers keep firms on their toes.

By Kevin Murphy
International Herald Tribune

HONG KONG — With the successful launch of a new satellite late last month, the STAR TV network has the potential to pull further ahead of its international competitors in the race for television viewers across Asia.

But according to STAR TV's chief executive, Gary Davey, it is far too early to relax or give investors the financial details about one of Rupert Murdoch's bigger gambles.

"We can now offer a more attractive prospect for the advertiser and a more attractive prospect for the consumer," said Mr. Davey, who was brought in from British Sky Broadcasting Ltd. two years ago when News Corp., the media conglomerate controlled by Mr. Murdoch, took control of STAR TV.

The short, chaotic history of Asian satellite broadcasting has moved quickly from a scramble between international media groups to find distribution systems for their wares to an all-out battle to offer

localized content, in language and subject matter, to dozens of separate markets.

But with new digital technology and nine transponders on the AsiaSat 2 satellite, STAR TV suddenly has the potential to distribute between 40 and 100 new channels from its base in Hong Kong across an area that stretches from Japan to the Middle East.

Eschewing news and controversial programming for a concentration on music, entertainment, movies and sports, STAR TV has made a start on localizing its product, splitting its signal into two beams — one emphasizing China's main dialect, Mandarin, the other in English and Hindi for STAR TV's other main market, India.

But according to analysts watching the rise of ambitious new broadcasting operations in several key Asian markets, including India, Taiwan and Indonesia, STAR TV's new reach comes in the nick of time.

"It will take much higher risk and investment to get deeper into the individual markets," a media planner based

in Hong Kong said. If STAR TV and its international competitors "stay where they are now, they are doomed," the planner said.

With more channels, STAR TV plans to expand its offerings to Indonesia as a priority and focus on other language markets such as Japan soon after.

But profits appear as far away as ever. The staff numbers 960 and is growing, the cost of Asian sports sponsorships, a key strategy, is escalating, and the demand for new programming seems bottomless.

Mr. Davey is unwilling to name a target date for profitability, shed light on his budget or divulge the extent of operating losses at STAR TV. Mr. Murdoch himself revealed in October that operating losses had widened to \$80 million this year from \$30 million last year and could reach \$100 million in 1996.

"In the early life of these businesses the data is actually not helpful in predicting the future, and we are still in that phase," Mr. Davey said. "The numbers don't give you any clues to the future, so we still will not be publishing any numbers."

STAR TV Turns Up Sales Pitch but Mutes Financial Data

L'Oréal Agrees to Take Over Maybelline

Compiled by Our Staff Dispatches

PARIS — L'Oréal SA said Sunday it had agreed to buy the American cosmetics maker Maybelline Inc. for \$36.75 a share, or about \$308 million, plus the assumption of about \$150 million of debt.

L'Oréal's shares closed

at \$31 on Friday.

L'Oréal also said that it would buy the 29 percent interest in Maybelline owned by the investment firm Wasserstein Perella & Co. for the same share price. Wasserstein Perella bought Maybelline from Schering-Plough Corp. in a 1990 leveraged buyout, then sold 30 percent in 1992.

Adding Maybelline's mass-market brands to L'Oréal's higher-priced products would make L'Oréal the No. 1 cosmetics company in the United States, with one-third of the American market.

The Maybelline purchase would extend L'Oréal's product range to younger consumers, who are among the main buyers of Maybelline products, the company said.

Maybelline, which is based in Memphis, Tennessee, and

makes Great Lash and Yardley of London cosmetics, distributes its products through most U.S. mass-market retailers.

L'Oréal, which posted 1994 sales of \$10 billion, makes L'Oréal, Lancôme and Biotherm cosmetics as well as Ralph Lauren, Giorgio Armani and Paloma Picasso perfumes, which are mainly distributed through department stores. It recently bought Germany's L'Oréal brand.

L'Oréal has 40,000 employees and operates in 150 countries. Its Cosmair unit had \$1.4 billion in U.S. sales in 1994.

Maybelline's 1994 sales were \$351.8 million.

The French company added that the deal had to meet several conditions, including constraints under U.S. antitrust law.

(Bloomberg, Reuters)

Monsanto Scuttles Bond, Citing Clinton Tax Plan

By Stephanie Strom
New York Times Service

NEW YORK — Monsanto Co. has scuttled plans to raise \$200 million through a sale of 100-year bonds, one day after President Bill Clinton proposed eliminating tax deductions for securities of long maturities.

The decision came as Wall Street underwriters Friday attacked Mr. Clinton's budget plan, which would end a lucrative business in creating and selling such so-called supermaturity securities.

"The government's proposal is not going to raise the revenue they promised," said Walid Chammam, head of the American debt capital markets operation at Morgan Stanley, which is one of the largest underwriters of 100-year bonds.

"Companies are going to shift their capital raising to instruments with shorter maturities."

Monsanto, a chemical and agricultural products company, said it had not decided whether to issue shorter-maturity bonds instead.

The Treasury Department proposed eliminating deductions that companies take for interest paid on debt with maturities of more than 40 years. Treasury officials contend that because few companies endure for a century, supermaturity debt securities are not likely to be repaid and, therefore, the money they raise should be regarded as equity.

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Overseas: Too Far for Some Investors

By Robert Bryce
New York Times Service

NEW YORK — Steve Lorenzen took his first trip abroad in 1957, when his parents helped the family to Mexico City for a vacation. Since then, Mr. Lorenzen, now 49, has returned to Mexico dozens of times, and has visited Africa, Europe and Central America.

In fact, foreign lands have become for him a field of study. An economist at the Texas Department of Human Services, he has done research on how people eke out a living in Mexican slums.

So it is no surprise that Mr. Lorenzen and his wife, Cathy, 43, a data manager, have many foreign investments.

The couple, who live in Austin, Texas, have accounts in 17 mutual funds, nine of them focusing on international equities. Of the \$115,500 they have invested, \$54,400 is in foreign stock funds.

But David Diesslin, a fee-only certified financial planner at Diesslin & Associates in Fort Worth, Texas, warns the Lorenzens that while scholarly interests are fine, putting lots of assets abroad makes for a lopsided portfolio, a warning that applies to many Americans with a fondness for international investments.

"You may be taking more risk than you realize," he said, saying that with foreign stocks "not only do you have market risk,

but you have currency risk" as well.

Oddly enough, it was a wager of sorts that helped the couple's money abroad.

"A year or so ago, I made a bet that the international markets would do better than they have," Mr. Lorenzen said. "So I shifted a substantial share of my assets into international funds."

in investments, is in retirement accounts such as 401(k)s and IRAs. Their nonretirement money, unfortunately, is where the Lorenzens have some of their riskiest bets, like \$9,000 in the Acorn International fund, and \$4,000 in Harbor International.

Based on this, Mr. Diesslin recommended lowering stocks from 80 percent of the couple's assets to about 65 percent, and raising bonds from 5.2 percent to 25 percent.

Also for safety reasons, he recommended that they hold more stocks in domestic issues. "If we really do balance the budget in the United States, and the dollar has substantial strengthening, gains made overseas could be wiped out," he said.

Mr. Diesslin said that the Lorenzens should also reduce the number of mutual funds they hold, for simplicity's sake, and Mrs. Lorenzen should contribute an additional \$300 to her 401(k), so the couple can retire on an annual income of \$60,000.

After a few days of considering the recommendations, Mrs. Lorenzen decided that \$300 extra in her 401(k) was impractical, but \$200 a month was doable.

Similarly, Mr. Lorenzen planned to begin buying some bond funds.

But one thing will not change for the Lorenzens: their belief in international investing, particularly the emerging markets. "If you ignore those economies," Mr. Lorenzen said, "you are ignoring a growing part of the capitalization of the world."

A History Lesson for Netscape Fanatics

By Edward Wyatt
New York Times Service

NEW YORK — Think back to 1969. Technology had just put men on the moon. New methods of storing, retrieving and manipulating vast seas of data in minutes or seconds were changing the business world.

As technology stocks boomed, investors flocked on Telex and Memorex.

Few people believed that any company would overtake the pair, which had an early lead in the new method of data storage, disk drives. Investors scoffed at the notion they had anything to fear from a late entry into the field, a stodgy old company called IBM.

Wall Street professed that Telex or Memorex would be the next International Business Machines Corp., putting Big Blue out of the data storage business.

Reflecting that assurance, Wall Street bid up the price of Telex shares from \$44 in August 1969 to \$142 the following February, and those of Memorex from about \$80 in August 1969 to \$174 in December.

For that history lesson, thank Hersh Cohen, manager of the Smith Barney Appreciation fund, who last week said that the recent rise of Internet-related stocks, such as Netscape, which soared 358 percent since August and Spyglass, now \$98, up from \$17 in June, reminded him of the moves in Memorex and Telex 26 years ago.

Recently, Netscape has been called the next Microsoft Corp. Goldman Sachs & Co. recently replaced Microsoft with Netscape on the firm's list of recommended stocks, saying rapidly developing Internet technologies would beat Bill Gates.

The reasons for those predictions, today

and 26 years ago, were remarkably similar. In each case, the larger, more established company was entering the market too late and too slowly to capture much business.

Students of history might recall that IBM was able to survive. Telex and Memorex, on the other hand, soon fell as regulators questioned their accounting and disclosure practices and IBM muscled down the price of data storage devices.

Stock prices plummeted, ultimately leading Telex and Memorex into a merger and Chapter 11 bankruptcy protection.

Another bit of history to consider: much of Telex's fall came when the company declared a 5-for-1 stock split, pushing supply back in line with demand.

Spyglass shares will split 2-for-1 on Dec. 20. Netscape shareholders are to vote on a proposed 2-for-1 split on Jan. 23.

The Week Ahead: World Economic Calendar, December 11-15

A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

Asia-Pacific

Expected New Delhi: ISE '95, international security exhibition, focusing on investment and joint ventures. Dec. 11-14. **Bombay:** The chief minister of Maharashtra state decides the fate of the canceled Enron power project.

Monday Dec. 11 **Kuala Lumpur:** Actacorp Holdings Bhd. annual meeting. **Sydney:** Treasurer Ralph Willis speaks at observance of Citibank's 10th anniversary in Australia.

Tuesday Dec. 12 **Sydney:** Government issues manufacturing price indexes for October. **Tokyo:** Economic Planning Agency releases November machinery orders; Nichiyu Giken Kogyo Co. and Shimomura Co. list shares over-the-counter.

Wednesday Dec. 13 **Sydney:** Westpac Melbourne Institute Index of Consumer Sentiment for December released. **Wellington:** Government releases November food prices, economic and fiscal update.

Thursday Dec. 14 **Sydney:** Government issues October housing finance figures and home starts for the third quarter. **Wellington:** Reserve Bank of New Zealand releases half-yearly statement on monetary policy.

Friday Dec. 15 **Taipei:** Central Bank of China report on foreign-exchange reserves. **Tokyo:** Economic Planning Agency monthly report; Ministry of International Trade & Industry revised industrial production for October.

Europe

Madrid: EU heads of state meet for twice-yearly summit, focusing on European monetary union and a single currency. Dec. 15-16. **Bonn:** October factory orders.

Basel, Switzerland: Monthly meeting of Group of 10 central-bank governors. **Bonn:** Chancellor Helmut Kohl meets Prime Minister Lamberto Dini of Italy. **Paris:** Preliminary November consumer price index.

Bern: Gross domestic product figures for third quarter. **Frankfurt:** European Monetary Institute monthly meeting. **Voorburg, Netherlands:** October producer prices.

London: November employment and retail sales; monthly meeting of chancellor of the Exchequer and governor of Bank of England. **Brussels:** Demonstration of public service workers.

Frankfurt: Bundesbank sets M3 money-supply target for 1996. **Brussels:** Banque Bruxelles Lambert 1996 economic forecast for Belgium. **Paris:** September current account. **Stockholm:** Riksbank board meeting.

Ottawa: October new-vehicle sales. **Washington:** American Petroleum Institute weekly report; November producer price index; second-quarter current account; 1995 corn and soybean harvests; third-quarter trade balance.

Americas

Kansas City, Missouri: Resolution Trust Corp. loan auction. Dec. 13-15. **Las Vegas:** American Gaming Summit casino conference. Dec. 13-15. **New York:** Consumer Internet '96 conference. Dec. 13-14.

San Jose, California: Semiconductor Industry Association's monthly book-to-bill ratio for computer chips. **Washington:** Weekly planting report; outlook for cotton harvest and orange production.

Ottawa: October new-vehicle sales. **Washington:** American Petroleum Institute weekly report; November producer price index; second-quarter current account; 1995 corn and soybean harvests; third-quarter trade balance.

Mexico City: Foreign reserves. **Ottawa:** Leading economic indicators. **Washington:** November consumer price index; retail sales; Department of Energy weekly report on petroleum stocks; mortgage applications.

Ottawa: November consumer prices; October wage settlements. **Washington:** November industrial production and capacity utilization; October inventories and sales; third-quarter productivity and labor costs.

Caracas: International reserves. **Houston:** Baker Hughes Inc. weekly drilling-rig survey. **Washington:** Federal Reserve Board weekly report on commercial and industrial loans by U.S. banks.

British 'Giveaway' Becomes a Big Asset

Bloomberg Business News

LONDON — National Grid Group PLC was little more than a giveaway five years ago, when it was handed over by the British government to the dozen regional electricity companies it wanted to sell.

On Monday, the Grid, owner of the country's high-voltage transmission network, will become a publicly traded company worth \$2.5 billion (\$7.9 billion) in yet another giveaway — this time to the regional utilities' shareholders.

Based in Coventry, England, the Grid will be so highly valued that it will begin life as a member of the Financial Times Stock Exchange 100 Index, which includes most of Britain's biggest companies.

More than 908 million shares, or 53.7

percent of the Grid, will go to investors of East Midlands Electricity, London Electricity, Midland Electricity, Northern Electricity, Seaboard, South Wales Electricity and Yorkshire Electricity Group.

Southern Electricity, which faces a potential takeover by National Power, also may distribute its 183 million Grid shares to its current shareholders. An additional 598 million Grid shares will be sold by the four other regional electricity companies, which have been taken private.

In trading in a so-called gray market for Grid stock, shares closed Friday at 208.5 pence.

National Grid shares will be under pressure because of a review by the industry regulator that analysts said would result in

cut in the price the Grid can charge for electricity starting in April 1997.

But the company still has good prospects, analysts said, through further reductions in operating costs, expanded use of new technology and growth from overseas transmission projects and its Energy telecommunications venture.

The Grid's transformation is the latest turn for the British electricity industry, which in 1990 was government owned and regarded as a collection of boring, now-growth utilities.

Since then, the industry has exceeded all expectations for increasing profits and dividends as the companies cut thousands of jobs and brought in new technology to replace their 1950s infrastructure.

Takeover Threats Keep U.K. Utilities Paying Out

Bloomberg Business News

LONDON — Tough price cuts ordered by Britain's electricity regulator are having the desired effect on utility revenues, although takeover pressure in the industry means the companies are keeping dividend payments as healthy as ever.

Five regional utilities will report results this week for the first half of their financial year, during which pretax profit for regional electricity distributors fell about 15 percent, analysts said. They expect the companies to boost dividends by 10 percent.

Two of the regional companies, East Midlands Electricity PLC and Southern Electricity PLC, may even reveal plans for special cash dividends in addition to the interim payout, analysts said.

The possibility of takeovers has forced the companies to in-

Junk Bonds Considered For TRW's Odyssey Plan

Bloomberg Business News

NEW YORK — TRW Inc. could seek to raise as much as \$300 million in high-yielding junk bonds in late 1997 or 1998 to help finance its Odyssey satellite communications system, TRW's president, Peter Hellman, has said.

Rival companies planning similar systems have scuttled debt offerings because of low investor interest. But while those offerings would have had yields of 12 percent or 13 percent, TRW will offer a yield "in the high teens" if it proceeds with the \$2.3 billion project, Mr. Hellman said Friday.

Results for the six months ended Oct. 1 are the first since the price cuts began April 1. They follow a series of nine takeover bids for 12 regional electricity companies in England and Wales.

The possibility of takeovers has forced the companies to in-

crease their borrowing and to distribute more of their profits to shareholders with big dividend increases, one-time cash bonuses and stock buy-backs.

For instance, analysts said

National Electric PLC on Tuesday would report a 14.4 percent drop in first-half pretax profit, to £43.3 million (\$83.2 million), but a 7.5 percent rise in the dividend, to 11.67 pence a share.

TRW has pledged \$100 million in equity to the project, and a partner, Teleglobe Inc. of Canada, has promised \$50 million.

For more information on the project, call 1-800-333-3333.

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NASDAQ NATIONAL MARKET

Consolidated trading for week ended Friday, Dec. 8.

Industries in Switzerland
last year, total turnover
153.57 billion

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SPORTS



Atle Skaadal showing winning form in Super-G slalom Sunday at Val d'Isère. His compatriot Lasse Kjus was second.

McNeeley's Next Opponent: 45-Year-Old Doctor

By George Vecsey
New York Times Service

WHEN last we heard from Peter McNeeley, the so-called Irish Hurricane, he was surviving exactly 89 seconds last summer against Mike Tyson, who was fresh from the slammer. McNeeley's latest opponent has different credentials. He's an orthopedic surgeon — a middle-aged orthopedic surgeon, at that.

In Punta Gorda, Florida, on Tuesday night McNeeley will fight the 45-year-old Dr. Harold (Hackie) Reitman, who risks his life in the ring and gives the earnings to charity.

"What's the doctor doing that?" asked McNeeley's father, Tom, the former boxer who

was knocked down eight times by Floyd Patterson in the big match of his own career. "I mean, I respect his love for the sport, but what about his hands?"

This is a question I ask Hackie Reitman every year or two. This is a question his wife, Marilee, has been known to ask. This is a question journalists and boxing commissions keep asking.

But Hackie Reitman has a legitimate record of 11 victories, four losses and four draws, and he has never been hurt while mixing the medical science with the sweet science.

"I still love boxing and I'm still getting better," said Reitman. "My manager, Tony Torino, keeps teaching me things, and the other day I was sparring with Trevor Berbick and hit him with a jab and then with a hook. I'm no Sugar Ray Robinson, but I did it."

A boxing abolitionist like me should probably get all fired up against a doctor risking his hands, but my theory is that as long as there are Kings and Arums and Trumps loose in boxing, it's nice to have a legitimate philanthropist around, too.

He learned to box in a youth club in Jersey City, New Jersey, and was the New England Golden Gloves champion while in medical school at Boston University. But he did not turn professional because he devoted himself to his family and his practice in Plantation, Florida.

However, when the couple's only child, Rebecca, survived delicate brain surgery 10 years ago, Reitman vowed to fight exhibitions for charity. In the late '80s, he turned professional, and tested himself against many leading heavyweights, at the historic Fifth Street Gym in Miami until it was torn down recently. He still dreams of fighting George Foreman, or maybe even sparring with Tyson.

"I was in the gym in Las Vegas one time when Tyson showed up," Reitman said. "But his six bodyguards got everybody out of the gym before he would train. I would love to sit down and talk boxing with Mike Tyson sometime. He is one of the most knowledgeable boxers I have ever heard because of his time with Cus D'Amato."

Reitman followed the Tyson-McNeeley fight. "I saw a clip from it," he said. "Or maybe it was the whole fight itself."

McNeeley's manager, Vinnie Vecchione, stopped it after 89 seconds, lest his fighter get hurt.

"I think Hackie Reitman is the kind of guy who runs around with the 'Rocky' theme song in his ears," Vecchione said recently. "We're taking him very seriously."

Reitman respects the three generations of boxing McNeelys. The late Tom Sr.

was the national light heavyweight champion in 1928 and Tom Jr. was an amateur champion who later lost to Patterson.

"Tom McNeeley saved my life once," Reitman said. "I was working my way through med school as the house doctor at the Boston Garden. One night, Tom McNeeley was the referee of a pro wrestling

"One of the wrestlers hit Gorilla Monsoon with his specialty, the Cardiac Crunch Punch. The ushers carried Gorilla Monsoon, who weighed around 450 pounds, off to the dressing room. I didn't think anything of it until somebody said, 'Doc, Gorilla Monsoon's heart stopped.'

"I went to the dressing room, and they were all standing around Gorilla, and I said, 'Mr. Monsoon, how are you feeling?' and he said, 'I don't know, Doc, I feel like my heart stopped.' I examined him, and everything seemed normal, but still, medically speaking, I said I had to send him to the hospital for observation.

"All of a sudden, all the wrestlers, Haystacks Calhoun, the whole bunch of them, took one step forward and said, 'We don't think that would be a good idea.'

"I was worried about what to do, until I saw Tom McNeeley out in the corridor. I told him my predicament and he said, 'All I can tell you is, they all leave together at 11 P.M.' I think he was telling me to get out of there before they did."

Tom McNeeley remembers the young doctor on duty that night: "I was trying to tell him that wrestlers take care of their own. A lot of crazy things happened in wrestling."

The doctor isn't sure whether he was conned into the act that night in Boston. There is no act Tuesday — just a middle-aged orthopedic surgeon who cannot stop practicing a brutal sport he loves.

Norwegians Supreme in Super-G

Reuters

VAL D'ISÈRE, France — Atle Skaadal upstaged his compatriot and the World Cup leader Lasse Kjus on Sunday to underline Norway's supremacy in the super-giant slalom this season.

Skaadal, a 29-year-old downhill veteran, clocked one minute 20.65 seconds to snatch the first super-G victory of his career and his first World Cup victory in nearly two years.

Kjus, the winner of the opening super-giant slalom of the season last week in Vail, Colorado, had to be content with a time of 1:20.80.

Kjus, the World Cup overall leader finished in second place for the fifth time in nine races this season. This consistency has

allowed him to build up a 245-point lead in the overall standings over second-placed Michael von Gruenigen of Switzerland, a giant slalom specialist. Hans Knaup took third place in 1:20.98 to confirm Austria's fine early-season showing.

But there was no stopping the "attacking Vikings" on the same run used 24 hours earlier for a men's downhill won by Luc Alphand of France.

It was revenge for both Skaadal and Kjus. Skaadal, a downhill specialist, had never won a super-G, though he came close in this French resort in 1991 before being edged by Marc Girardelli of Luxembourg.

It was Kjus that had his best super-giant results, finishing 6th in 1993, 5th in 1990, 4th in 1992 and second in 1991.

Even though he failed to repeat his victory in Vail, the first in his career, Kjus was happy to take second place after missing a gate in the previous day's downhill.

There was a big scare for the local crowd when Alphand, who became the first Frenchman to win a World Cup downhill in Val d'Isère on Saturday, had a spectacular fall on Sunday. The World Cup downhill leader lost his balance halfway down and crashed into the safety nets. The finish area went silent until Alphand raised his hand to signal he was all right.

"My back hurts a little bit but it's nothing serious," he said. "It was hard to concentrate after my victory yesterday."

Ivanisevic Aces Out Martin in Grand Slam Cup

Compiled by Our Staff From Dispatches

MUNICH — Goran Ivanisevic of Croatia did what he does best, blasting four successive aces past Todd Martin to close out the final Sunday of the \$6 million season-ending Grand Slam Cup, 7-6, 6-3, 6-2.

The match-winning service was Ivanisevic's 1,000rd ace of the season and earned him a first prize of \$162,000, the richest

game, tailor-made for the fast Munich carpet, and was clearly feeling the effects of his hard-earned four-set defeat of the local favorite, Boris Becker, the previous day.

The American kept the pace until 4-4 in the first-set tie-break. Ivanisevic hit a tremendous return and then pointed two straight aces to win the set.

Ivanisevic fired 28 aces in a match that lasted only one hour, 43 minutes.

Martin never really had an answer to the Croat's power

game, few rallies on the very fast carpet surface in the Olympic Hall in Munich.

Martin saved a break point in the third set, but was broken in the seventh as Ivanisevic took a decisive 4-3 lead.

The American kept the pace until 4-4 in the first-set tie-break. Ivanisevic hit a tremendous return and then pointed two straight aces to win the set.

Ivanisevic fired 28 aces in a row to finish the match with a love game.

Ivanisevic had an easier passage to the final after the world No. 1, Pete Sampras, pulled out of their quarterfinal

injured before a ball was struck. The tournament win took his year's earnings to \$3.78 million.

The Grand Slam Cup, in its sixth year, carries no ranking points but still attracts most of the world's elite with its huge prizes and a \$250,000 appearance bonus for the reigning champion of each Grand Slam event. The 16 competitors qualify on the strength of performances in the four Grand Slam tournaments: the Australian Open, the French Open, Wimbledon and the U.S. Open.

(AP, Reuters)



Goran Ivanisevic of Croatia on his way to defeating Todd Martin in Sunday's tournament for a \$1.6 million payout.

SCOREBOARD

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

W L Pct

SEAS

SUNATURDAY'S RESULTS

EASTERN CONFERENCE

SATURDAY'S RESULTS

WESTERN CONFERENCE

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SPORTS

Ohio State Rusher Wins Heisman for Award Sweep

By Malcolm Moran
New York Times Service

NEW YORK — Eddie George of Ohio State University became the 61st winner of the Heisman Trophy to complete a sweep of the awards as the major-college football player of the year.

George, who set a rushing record for the university that produced Archie Griffin — the only two-time winner in the history of the award — gave Ohio State its sixth Heisman on Saturday night and the first since Griffin won his second in 1975.

George, who had earlier been named the Heisman national player of the year, shed with 1,460 points, 264 ahead of runner-up Frazier, the Nebraska quarterback, and Wuerffel, the Florida quarterback, in third. George gained 268 first-place votes to 218 for Frazier and 185 for Wuerffel. Damrell Autry, the Northwestern running back, finished fourth, followed by Davis, the Iowa State running back, and Peyton Manning, Tennessee's quarterback.

Timing had been important in past close Heisman votes. Steve Spurrier, Wuerffel's coach at the University of Florida, won the 66 award partly because ballots were distributed just before the quarterback risked a dramatic, 40-yard, game-winning 40-yard run to defeat Auburn. That game was Florida's seventh of the season. Spurrier is announced as the Heisman winner before the last game of that 1966 season.

This time, 49 percent of the ballots had been returned by Dec. 1, the day before Wuerffel passed for 276 yards and two touchdowns as the most valuable player of this Southeastern Conference championship game victory over Arkansas.

By that point, Frazier had already led Nebraska to a perfect regular season and George had rushed for an Ohio State record 26 yards, including his remarkable 314-yard game against Illinois on Nov. 11. A tie that seemed clear between Frazier and George throughout much of November ended over Thanksgiving weekend.

Nebraska's offense struggled in a rout over Oklahoma, with Frazier passing for 128 yards and rushing for just 35 yards on 10 carries. Then George was held to 104 yards in Ohio State's crushing loss at Michigan, a game that ruined a perfect key season and ended hopes of a trip to Pasadena.

The players had begun the week here by wondering what their peers were like, only to discover they were just like themselves.

Saturday, as the finalists waited for the moment when they would gather in theisman Room on the 13th floor of the downtown Athletic Club here, the talk was about competition. As they produced latest in an endless series of fixed smiles for the cameras, Wuerffel had a question.

"Are we looking mean?" he wondered. "I mean, we're looking mean?"

Suddenly they were wearing their best key game faces, one more grim than next: Wuerffel, George, Autry, who had a school record 1,675 yards in a Big 10 championship season, and Davis, whose 2,010 rushing yards made him the player in history to exceed 2,000.



Paul Sack/Associated Press
Mavericks' Jamal Mashburn, front, trying to get past Bullets' guard Calbert Cheaney.

Carew Lets Game Face Slip as His Daughter Fights for Life

The Associated Press

RANGE, California — Rod Carew muses wistfully about the snow his daughter Michelle has never seen, the falling flakes she's never tasted, the powder she's never scooped in her hands.

He and his wife, Marilyn, share smiles that have become rare lately, talking together about Michelle's way of talking, her jokes and her dreams.

"It's a simple thing that this kid wants to see," he says. Watery eyes. Voice cracking. Fingers twisting the chunky gold Hall of Fame ring on his right hand. "The first thing I'm going to make sure she sees when she gets well is the snow, I don't care when we have to go."

Acute nonlymphocytic leukemia, an aggressive killer that strikes 500 American children a year, invaded Michelle's bloodstream in September. Some rogue cell simply appeared in the bone marrow and triggered the disease. A college freshman, two months shy of 18. Healthy and lively until that night.

"A bone marrow transplant would do a couple of things," Dr. Mitchell S. Cairo, her oncologist, says. "One, is that we

would eliminate the original cell. And when you use a foreign bone marrow from an unrelated donor, it reacts against the recipient's leukemia cells at the same time it's generating normal blood cells. You just do it once, and it stays, hopefully, forever."

They wait for that rare genetic match, the gift of life from a stranger. No matter that the chance is infinitesimally small, maybe impossible. How many people have a black father of West Indian and Panamanian blood and a white mother born of Ukrainian Jews?

SO FAR, there's no match with any of the three million donors registered worldwide, not even her older sisters, Charrise and Stephanie, who matched each other but somehow not Michelle.

"A lot of minorities aren't in the donor pool to begin with, let alone someone who's like Michelle," Marilyn Carew says. "In 1970 when we got married, interracial couples weren't very popular. So there aren't too many products of those marriages old enough (at least 18) to be a donor."

With a blood-related donor, her doctor says, Michelle's chances of a cure would have been about 75 percent. A non-related donor, 50 percent. No donor, perhaps 30 to 50 percent.

Carew clings to the hope that someone who matches Michelle will call the U.S. National Marrow Donor Program at 1-800-MARROW-2 and try to save her. And if she can't be saved, Carew plans to go on, urging people to save other children by registering as marrow donors.

Rod Carew is a strong, proud, dignified man, unused to revealing his deepest feelings or letting the world into the cherished privacy of his family. Only now he's letting down the barriers he constructed as a player and seven-time American League batting champion. He's reached the point where the stony facade doesn't matter anymore. Emotions so raw, mind and body so weary, he's just given in to it all. He even wrote Dear Abby, the advice columnist Abigail Van Buren, for help.

"The response we've gotten from people from all over the country has just been unreal," he says. "I never really opened myself up before. People portrayed me as

aloof. I became an enigma to them because I was quiet. Growing up being an abused child, I protected myself. I kept to myself because I didn't want anyone to know me."

That didn't stop strangers from sending him hate mail during his career. They attacked his race, his interracial marriage, his wife and daughters' Jewish faith. After he retired in 1985, he enjoyed the best six years of his life, staying away from the game, traveling from campground to campground with his family in a motor home. Michelle, ever ebullient, made friends everywhere.

MICHELLE lies in an air-filtered, sterile room in intensive care. A dozen times a day, the Carews scrub their hands before entering and cover mouths and noses with white masks decorated with pink and blue teddy bears.

For more than a week when the disease first struck, Michelle was blind. Four rounds of high-dose chemotherapy took the cancer into remission, at least temporarily. The tradeoff: A weakened immune system that can't fight infection. Twice, she nearly

died of septic shock.

On Nov. 14, Rod and Marilyn left the hospital to take a quick shower at home, a brief respite from their constant vigil. A few minutes later, a panicked call from Charrise and Stephanie.

"Michelle's eyes had started rolling back in her head, her blood pressure dropped real low, into single digits, her body temperature went up to 105, 106, 107," Carew says, eyes welling at the memory. "When I came back and walked in the room, there were 10 people around her and they were trying to put tubes in her nose and her throat. And she was throwing up at the same time. They wanted to drain her so she wouldn't choke on it."

"And she's calling out to me in this weak voice, 'I'm fighting, Daddy. I'm fighting.'

"I feel so utterly helpless."

The family waits for the fever to break, the counts to rise, the blood pressure to stabilize. They wait most of all for a bone-marrow donor to come forward with the perfect genetic match.

"I pray every night," Carew says softly, "and I cry every night."

Devils' Goaltender Becomes Instant Hit

The Associated Press

COREY SCHWAB of the New Jersey Devils was just another backup goalie in the National Hockey League.

Now, after the game Saturday night against the New York Islanders, he's the goon goalie, another of the NHL's tough guys, enforcer par excellence. He's also a Devils' fan favorite.

Schwab was ejected from the game against the Islanders for skating the length of the ice and pummeling the Islanders' goalie, Tommy Soderstrom, during a wild second-period melee that resulted in three ejections, a serious hand injury to the Islanders' defenseman Darius Kasparaitis and a 4-2 Devils victory.

Bill Guerin of the Devils and Kasparaitis, who severed a tendon in his right hand when it was stepped on in the fracas, also were kicked out of the game. However, the Devils' coach, Jacques Lemaire, said he did not think Schwab would be suspended.

Schwab's one-sided fight against Soderstrom seemed to catch everyone off guard, especially Soderstrom.

Soderstrom appeared to be trying to prevent Guerin from going after a New York player near the Islanders' goal, when Schwab went into action. He left his crease and charged up the ice quickly in his bulky equipment.

"I was looking at the situation and he was standing in the crease and sort of waved his arm," said Schwab, who was making only his second career start. "I don't know if he was



Corey Schwab, the Devils' goaliekeeper, punches Tommy Soderstrom, left, of the Islanders.

asking the coach should he go. Then he went and got Billy around the head and I have to go help him out."

Just before getting to Soderstrom, Schwab peeled off his gloves. Then he delivered his help with a barrage of punches that opened a cut on Soderstrom's left cheek.

"I never saw him coming," said Soderstrom, who needed seven stitches to close his cut. "I was just trying to hold one guy on New Jersey. I was holding him with one hand and then he comes down. That's hockey. I'll get him back someday."

The attack stunned the goalie's teammates, including Martin Brodeur, who had to replace Schwab in goal.

"It was something that happened," added John MacLean, who also beat Soderstrom — but just for two goals. "Schwab is a team guy and he was doing for the team. It's a shame he had to get thrown out for it because he was playing such a good game."

The fight wasn't the first for Schwab. He also had one two years ago while playing for Al-

bany against Hershey, but it wasn't as bad because the other goalie backed away.

Soderstrom didn't, although 6-foot (1.83-meter) Schwab never let him.

"It was wild," said Soderstrom, who is 5-foot-7 and 165 pounds (75 kilograms). "I had my left glove on and he had two free hands. It was a pretty cheap trick from him."

Guerin defended Schwab's actions, saying he did it for the team. However, he also admitted Soderstrom wasn't doing much to him.

"He wanted to fight but I can't fight right now with my hands," said Pilon, who was playing in his first game this season because of wrist and groin injuries.

Kasparaitis stopped the attack by going after Guerin, but that started the melee behind the Islanders' net involving all the players on the ice. Schwab joined the fray less than a minute later to the delight of the crowd, which roared with his every punch.

Away from the punches, though, someone stepped on Kasparaitis' right hand, severing a tendon and leaving the ice surface dotted with red from the Islanders' net to the bench.

Schwab had stopped 11 shots

Malone's 51 Points Lift Jazz To Victory Over Golden State

The Associated Press

Karl Malone scored 51 points, including 20 in the third quarter to rally the Utah Jazz past the Golden State Warriors, 123-109.

Malone made 19-of-28 field goals in the game Saturday in Salt Lake City.

NBA ROUNDUP

and had 14 rebounds while equaling the highest individual score in the National Basketball Association this season.

On Thursday night, Malone watched Denver's Mahmoud Abdul-Rauf score 51 against the Jazz.

Utah held Golden State without a field goal for nearly seven of the last eight minutes.

Celtics 124, 76ers 108 as Dino Radja scored 23 points as Boston won its third straight, defeating Philadelphia.

Rick Fox scored 19 points for Boston, including 13 in the first quarter. Dana Barros, a former 76er, added 14 points and 10 assists.

Jerry Stackhouse scored 21 points and Sharone Wright 19 with 14 rebounds to lead Philadelphia, which has dropped 13 of its last 14 games.

Derrick Coleman, acquired by Philadelphia last week from the New Jersey Nets, sprained his ankle with 10:56 left in the second period and did not return.

Hornets 114, Timberwolves 108 Larry Johnson scored 35 points and Glen Rice sparked a fourth-quarter run with three three-pointers to lead Charlotte over visiting Minnesota.

Rice finished with 22 points, including four of the Hornets' 103-pointers.

Johnson made 15-of-20 shots, including three 3-pointers, and added 11 rebounds.

Knicks 101, Hawks 92 Patrick Ewing scored 16 of his 29 points in the final 8:40 in Atlanta and New York rallied to beat Atlanta. It was the Hawks' fifth straight loss.

Atlanta built a lead of 89-79 with nine minutes left before Ewing sparked the Hawks' 22-3 run in the final 8:40 to get the victory.

John Starks scored 20 points for the Knicks on 7-of-10 shooting and had six assists. Anthony Mason and Derek Harper each added 14 points for New York. Charles Oakley added 16 rebounds.

Steve Smith led the Hawks with 29 points.

Bullets 103, Mavericks 94 Robert Pack scored 23 points, including seven straight down the stretch, as Washington Bullets held off stumbling Dallas. Calbert Cheaney scored 22 points for the Bullets, who had lost two of their previous three. Washington played without Chris Webber, who sat out with a sore left shoulder.

The Mavericks, lost for the 11th time in 12 games.

Bulls 118, Bucks 108 In Milwaukee, Michael Jordan scored a season-high

Chris Childs, a reserve, scored 14 points in the fourth quarter as New Jersey beat Cleveland.

Childs hit two quick 15-foot (4.5-meter) jump shots to begin the period and put New Jersey ahead, 68-64, and

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NBA ROUNDUP

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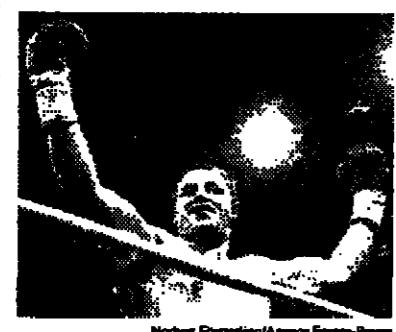
Bulls 118, Bucks 108 In Milwaukee

Herald Tribune
SPORTS

MONDAY, DECEMBER 11, 1995

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WORLD ROUNDUP



Frans Botha of South Africa, world IBF heavyweight champ.

Buffalo Sparks Riot

Boxing In a decision that triggered a riot, Frans Botha of South Africa beat Axel Schulz for the vacant IBF heavyweight championship in Stuttgart.

When Botha, who has nicknamed himself the "white buffalo" was announced as a split-decision winner, outraged German fans flung coins, beer and champagne bottles into the ring Saturday night. Officials later revised the scorecards from the three judges, giving the South African a unanimous decision. The IBF had stripped the title from Foreman, whose last fight was also a disputed victory over Schulz.

Six people were treated in a hospital for cuts by flying glass in the mayhem around the ring. None were injured seriously, said the police, who also said many people in the crowd were drunk. Some tried to climb into the ring. Fans sought shelter under tables and others tried to flee in panic. (AP)

3d Title for North Alabama

FOOTBALL North Alabama University dismantled Pittsburgh State, 27-7, for an unpreceded third straight NCAA Division II championship.

The game Saturday matched the top-ranked Lions against the fourth-ranked Gorillas, who came in with college football's best record at any level since 1985 and the best record in the '90s in Division II. North Alabama (14-0) shredded Kansas-based Pittsburg State (12-1-1), amassing 390 yards to the Gorillas' 176 and holding a 2-to-1 advantage in possession time. (AP)

Bosnia Could Play Croatia

SOCCER FIFA, world soccer's governing body, has no plans to keep the five states from the former Yugoslavia apart in the draw Tuesday for the qualifying rounds of the 1998 World Cup.

"They are now at peace," Sepp Blatter, the FIFA general secretary, told a news conference.

Bosnia will probably play its home games in Italy. (Reuters)

Tampering by Sri Lanka

CRICKET Sri Lanka became the first team to be censured for tampering with the ball. The warning came from Graham Dowling because the shape of the ball was altered during play Saturday. Even so, Australia scored 358 for two wickets and on Sunday advanced to 617 for five before declaring with a first-inning lead of 366. Sri Lanka reached 13 without loss before the close Sunday. (Reuters)

In Christchurch, New Zealand, Ijaz Ahmed hit his second century in successive tests and helped Pakistan into a position of control of the one-off test against New Zealand. At the close on the third day, Pakistan was 369 for seven wickets in their second innings, 291 runs ahead. (Reuters)

Dispute in Senna's Death

MOTOR RACING The Williams Formula One team said Sunday it was too soon to comment on a claim that Ayrton Senna's death was caused by a badly welded steering rod.

Williams was reacting to a report in the News of the World, a British Sunday tabloid, which quoted the chief investigator into the Brazilian's fatal accident as saying that Senna died because the rod had been "badly welded together." (Reuters)

Eagles Soar Over the Cowboys, To Win on Field Goal, 20-17

The Associated Press

Stop Emmitt Smith and you stop the Dallas Cowboys.

The Philadelphia Eagles had to do it twice in the final two minutes Sunday. Gary Anderson made a 42-yard field goal with 1:26 left for a stunning 20-17 victory

NFL ROUNDUP

spiced by controversy in the waning moments — and an incredible decision by Dallas' coach, Barry Switzer.

Switzer chose to go for a fourth-and-one at the Cowboys 29. Philadelphia stopped Smith's run, but officials had whistled the play dead just before it began for the two-minute warning.

With dozens of players on the field, the referee, Ed Hochuli, at first signaled first down for the Eagles. Then he reversed it after a discussion, twice having to announce to the raucous crowd — and Philadelphia players — that the clock had reached 2:00. Switzer again went for it and Andy Harmon stuffed Smith for no gain.

Anderson booted his fourth field goal four plays later, also needing a repeat kick when officials blew his first successful kick dead.

Dallas (10-4) got a big first half from Smith, then completely stalled and was blanked in the second half. It was the Cowboys' second straight loss and first to the Eagles in eight meetings. The defeat cost the Cowboys their hold on home field advantage for the National Football Conference playoffs after San Francisco's 31-10 victory on Saturday.

49ers 31, Panthers 10 Steve Young, sidelined with shoulder problems in Carolina's victory Nov. 5 in San Francisco, threw for two touchdowns and ran for a third in their rematch, leading the 49ers to victory.

Young completed 31 of 45 passes for 336 yards in what was easily his best performance in three games since undergoing surgery Nov. 13 on his throwing shoulder.

Young helped San Francisco (10-4) extend its NFL-record streak of 10-victory seasons to 13 in a row.

The Panthers fell short in their third attempt to reach the .500 mark this season.

Bengals 16, Bears 10 Jeff Blake dinked and dunked against Chicago's deep coverages to set up three field goals, then threw a 38-yard touchdown pass to Damary Scott, sending the Cincinnati Bengals to a 16-10 victory. Chicago (7-7) became a long shot for a second consecutive playoff appearance when its offense froze up on a frosty afternoon and the league's third-worst pass defense gave up another big play.

Bills 45, Rams 27 Jim Kelly had four touchdown passes despite a sore throwing shoulder and Thurman Thomas returned from a hamstring injury that has hampered him most of the season with 129 yards rushing in Buffalo's victory in St. Louis. Kelly completed 19 of 25 passes for 237 yards and had none picked off. Thomas totaled 234 yards with a 3.4-yard average in his previous four games. The Bills (9-5) rebounded from successive losses to the Jets and San Francisco and solidified their lead in the AFC East.

Falcons 18, Saints 14 in Atlanta, Morten Andersen kicked four field goals including the NFL record three of more than 50 yards to give Atlanta a victory over his former New Orleans teammates. The Falcons (8-6) snapped a two-game losing streak to remain in the chase for a wild-card playoff berth. The Saints (6-8) had won two in a row and five of their previous six.

Colts 41, Jaguars 31 Aaron Bailey returned the opening kickoff 95 yards for a touchdown and the visiting Colts scored twice after Jacksonville turnovers to beat the Jaguars. Indianapolis (8-6) retained an inside track to a wild-card spot in the AFC while Jacksonville (3-11) lost its sixth in a row and stayed in position to claim the No. 1 pick in next year's draft.

Chargers 28, Cardinals 25 in San Diego's return specialist, Andre Coleman, ran back the second-half kickoff 92 yards for the go-ahead touchdown, the middle score of a 21-point burst that gave the Chargers victory Saturday over Arizona. Alternately stifled and aided by Buddy Ryan's aggressive "46" defense, San Diego scored three times in 6 minutes, 18 seconds. The Chargers, the defending American Football Conference champion, won their third straight game to remain in playoff contention.

Chandler at the start of the second half. And they roared when McNair hit fellow rookie Chris Sanders, a fellow rookie, for a 39-yard touchdown pass with 6:13 to play. But it was too late to make up for the mistake-prone Oilers' offense, which committed six turnovers, including two near the end of the first half that allowed the Lions (8-6) to establish a 17-7 halftime lead.

Patriots 31, Jets 25 Troy Brown scooped up Dave Meggett's fumbled kickoff return and raced 75 yards for the go-ahead touchdown with 5:39 left as host New England blundered its way past bumbling New York. Even Boomer Esiason, who had risen above the antics with four scoring passes, finally succumbed. On the first offensive play after Brown's touchdown had made the score 24-21, he threw an interception to Ty Law that gave the Patriots the ball at the Jets 22-yard line. Curtis Martin carried the ball on the next four plays and scored his second touchdown of the game, a one-yard run that capped his 148-yard rushing day and gave New England a 31-21 lead. Esiason then guided the Jets on an impressive, 77-yard drive that didn't matter. His three-yard scoring pass to Ryan Yarborough came with just two seconds left.

Vikings 27, Browns 11 Charles Evans, a backup running back, scored the first two touchdowns of his NFL career, Saturday, and Orlando Thomas, a rookie, led a swarming defense with two interceptions in Minnesota's victory, its fifth in six games. Minnesota held the Browns to minus-5 yards in the third quarter, and Warren Moon's 9-yard pass to Jake Reed made it 20-3 with 5:43 left in the quarter. Moon completed 20 of 29 passes for 267 yards, with one touchdown and an interception before leaving with a rib injury.

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In action, Houston Oilers' linebacker Michael Barrow tackling the Detroit Lions' running back Barry Sanders, foreground, in a game won by the Lions 24-17.



Sampdoria's Christian Karembeu, top, battling with Ciro Ferraro of Juventus.

Asprilla Returns With Flick of Genius

Reuters

Faustino Asprilla scored a cheeky, back-heeled goal to set second-placed Parma on its way to a 2-1 victory Sunday over Lazio as Serie A's second-place team kept the pressure on AC Milan which tied Napoli 0-0 in Milan.

Asprilla, playing only his third match of the season after a series of legal and domestic problems, justified his selection

SOCCER ROUNDUP

ahead of an out-of-form Hristo Stoichkov with a single stroke of genius in the 37th minute. Controlling Crippa's precise cross with his back to the goal, the Colombian fooled Lazio's goalkeeper, Francesco Mancini, with a quick flick of his heel.

Mancini was again wrong-footed as Zola's free kick took a deflection to condemn Lazio to its third defeat in four games and stretch Parma's unbeaten league run to 10.

Napoli's Giuseppe Tagliafari saved a penalty from Roberto Baggio to frustrate Milan, the league leaders.

Juventus, the champion, lost 2-0 away to Sampdoria. The game was billed as a triumphant homecoming for Juve's trio of former Sampdoria stars — Gianni Vialli, Attilio Lombardo and Vladimir Jugovic. Marcello Lippi, the Juventus manager, played for the Genoa team in the 1960s.

Instead, Juventus rarely looked like scoring against a team missing eight first-team regulars. Enrico Chiesa scored both Sampdoria goals, taking his tally to five in just two matches. His first, in the 43rd minute was a superb shot on the turn. Chiesa, signed in the summer from Cremonese, added his second in the 52nd with another breathtaking strike.

Florentina tightened its grip on third with a 3-0 victory over Udinese. Gabriel

Batistuta set up Francesco Baiano's first goal in the 18th minute with an exquisite chip before clinching victory with two goals of his own. Goran Vlaovic, playing only his second match since undergoing brain surgery in September, scored both Padova goals in a 2-1 defeat of Internazionale.

FRANCE Paris Saint-Germain, the league leader, beat Namur, the defending champion, 5-0, at Parc des Princes.

The victory was a justification for the trainer Luis Fernandez's decision to opt for an attacking style. The five strikers he used each scored once. Julio Cesar, Delly Valdes opened the scoring after five minutes and by halftime Youri Djorkaeff and Patrice Loko, who played for Namur last season, also had scored. Rai scored the fourth and Pascal Nouma the fifth just before the end.

Lens kept pace on Sunday evening with a 2-1 victory at Strasbourg. Auxerre, third, lost Saturday, 2-1, at home to Monaco for whom the Brazilian Sonny Anderson and Michael Madar scored, and Metz, fourth, tied Cannes 0-0.

ENGLAND Steve Stone provided a bright spark at the end of a dark weekend for Terry Venables, the English national coach. Stone, who has made a splash in recent England games, again underlined his knack for scoring important goals when he struck from 20 meters in the 82nd minute to give Nottingham Forest a 1-1 tie with Aston Villa. Dwight Yorke had scored for Villa. Villa climbed a place to sixth in the Premier League. Forest stayed eighth.

The games Saturday games had brought injuries to three members of Venables' squad for the game against Portugal on Tuesday: Teddy Sheringham, Robert Lee and David Platt.

All three were fit enough, however, to complete the full 90 minutes for their clubs.

Sheringham's third minute goal gave Tottenham Hotspur a 1-0 victory over the Queen's Park Rangers. Lee, and the league leader Newcastle United, lost 1-0 at Chelsea, while Plat's Arsenal tied 0-0 at Southampton. Tottenham's manager, Garry Francis, said Sheringham, who has back problems, "has been put on traction straight after the final whistle and we'll have to see how he is with the England doctors tomorrow."

Lee pulled a muscle when he "slipped on grass" said his manager, Kevin Keegan, but will join the England squad. Plat, who strained a hamstring, will not.

Manchester United gained a point on Newcastle after Eric Cantona scored his second goal in the 83rd minute to secure a 2-2 tie Wednesday at Strasbourg. Roy Keane did not play and has withdrawn from the Ireland squad for Wednesday's playoff against the Netherlands for last place in the European finals.

GERMANY The reigning champion, Borussia Dortmund, gained a lucky 1-0 victory Saturday at Freiburg to take a two-point lead over the German winter break.

A 48th-minute goal from the teenager Lars Ricken and a superb performance by the goalkeeper Stefan Klos helped Dortmund keep its lead over Bayern Munich, which won 2-0 away at relegation-threatened Fortuna Dusseldorf. The Bundesliga resumes Feb. 9. Even at the halfway stage the championship race seems to be a battle between Dortmund and Bayern.

SPAIN Espanyol climbed up neighborhoods. Barcelona into second place in the first division on Sunday after a blistering shot from Francisco Lopez paved the way to a hard-fought 3-1 home win over titleholders Real Madrid. Real is in seventh, 11 points behind Atletico Madrid who on Saturday extended their lead at the top with a split 3-1 victory over Barcelona.

	EUROPE	MIDDLE EAST	AMERICAS	
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Bulgaria†	022-903-0111	800-800-1	Bolivia†	0-800-1112
Croatia†	01-800-550-0001	800-800-1010	Canada	1-800-225-5228
Czech Republic	00-325-422-0010	177-180-2727	Chile	1-231-8-0311
Denmark	800-901-0011	18-800-800	Colombia	800-11-0011
Finland	0800-100-1010	800-288	Ecuador	800-11-1119
France	70-801-0011	12-800-100-1010	El Salvador	180
Germany	00-800-90-0011	13-800-100-1010	Greece	1-800-225-5228
Iceland	01-800-422-0208	14-800-100-1010	Honduras†	1-800-11-0011
Ireland	01-800-422-0111	15-800-100-1010	Mexico	001-800-422-0240
Italy	02-800-122-1011	16-800-100-1010	Nicaragua	174
Latvia	019-101-1011	17-800-100-1010	Panama	189
Lithuania	01916	18-800-100-1010	Peru†	177
Luxembourg	0-800-0111	19-800-100-1010	Venezuela†	88-011-120
Macedonia, FYR†	00-800-422-0208	20-800-100-1010		
Malta	0000-800-110-110	21-800-100-1010		
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Netherlands	06-822-911-1111	23-800-100-1010		
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